

COUNCIL ON COMPETITIVE GOVERNMENT



REQUEST FOR PROPOSALS

Digital Imaging Services

RFP No. 920 C1

NIGP CLASS ITEMS

920-30 958-82
920-34 990-28
920-38

Proposal Due Date: May 23, 2014

Proposal Due Time: 2:00 pm (Central Standard Time in Austin, Texas)

Posting Date: April 24, 2014

****NOTE**** This RFP is composed of two parts: (1) Part A, Special Instructions, and (2) Part B, General Instructions and Contract Terms and Conditions. In the event an instruction or term in Part A conflicts with an instruction or term in Part B, the instruction or term in Part A prevails, and any addenda or amendments to either Part A or Part B control over the original versions. The Definitions in Part B, Section B.1.2 apply to Part A. The RFP controls over any attachments or exhibits to the RFP, including any technical specifications.

PROPOSAL SUBMISSION CHECKLIST

IMPORTANT:

ALL INQUIRIES AND COMMUNICATIONS CONCERNING THIS RFP MUST BE ADDRESSED TO THE INDIVIDUAL AS LISTED IN [SECTION A.9.4](#) – POINT OF CONTACT.

COMMUNICATIONS WITH OTHER THAN THE POINT OF CONTACT MAY RESULT IN DISQUALIFICATION OF A PROPOSAL.

Read all documentation and requirements contained within this RFP package.

To be responsive and considered for evaluation and award, respondents must return the documentation required and requested in this RFP package. The documents must be completed and signed as required.

Reference Section A.12 – Organization of the Proposal for Submission

Proposal received without the required documentation, as identified below, may be disqualified, except as noted.

- ☐ CONFIDENTIAL/PROPRIETARY INFORMATION
- ☐ EXECUTION OF PROPOSAL – ATTACHMENT A
- ☐ RESPONDENT CONTACT INFORMATION FORM – ATTACHMENT B
- ☐ PREFERENCES – ATTACHMENT C
- ☐ HUB SUBCONTRACTING PLAN (HSP) – Reference Section A.9.6

There are no exceptions for the submission of the HSP, therefore, Proposals received without the completed and signed HSP, shall be rejected as a material failure to comply with the requirements of this RFP and will be disqualified as Non-Responsive.

- ☐ EMPLOYEE SALARIES, BENEFIT CERTIFICATION, DISCLOSURES
- ☐ MANDATORY PRICE SHEET -ATTACHMENT D
- ☐ ASSUMPTIONS AND EXCEPTIONS
- ☐ THE CONFLICT OF INTEREST DISCLOSURE-if any
- ☐ RESPONSE TO REQUIREMENTS DOCUMENTATION – Section A.12.9
- ☐ RESPONSE TO OAG SOW (OPTIONAL) – Section A.13
- ☐ SIGNED ADDENDA TO RFP IF ANY – Section A.9.2

Reference Section A.13 for Submission Requirements

As indicated in the referenced section:

THE PRICE SHEET MUST BE SUBMITTED ELECTRONICALLY IN THE ORIGINAL FORMAT.

Please read all instructions carefully for submitting electronically:

Use the following e-mail address to submit your Proposal electronically **and it is recommended to begin the process well in advance of 2:00 pm on the due date:**

SSCM.ebids@CPA.state.tx.us

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A.1 DEFINITIONS

When capitalized, the following terms and acronyms have the meaning set forth below. All other terms have the meaning set forth in Merriam-Webster’s Collegiate® Dictionary, Eleventh Edition.

AIIM	Association for Information and Image Management (www.aiim.org) – A global community that provides education, research and best practices for organizations to help find, control and optimize information.
ANSI	American National Standards Institute (www.ansi.org) – An official, non-profit organization within the United States that administers the voluntary development of standards for products, services, processes, systems and personnel. It is the US equivalent of the British Standards Institution.
Backup Files	Copies of files or databases kept for a specified time in case the original files or databases are damaged, lost or destroyed.
Business Day	The period of time from 7:00 a.m. to 6:00 p.m. Central Time exclusive of weekends and observed holidays when PA offices are closed. A holiday will be excluded in a computation of Business Days only when such holiday is observed by the Participating Agency at issue and only as to the Participating Agency at issue.

Capture	Process of scanning, storing, and retrieving Documents regardless of original format, using micrographics and/or electronic imaging (i.e., Scanning, OCR, ICR, OMR, etc.). This includes working with born-digital Documents (i.e., capturing/indexing incoming virtual faxes) Born-digital Documents are Documents that were not created in paper form.
CCG	The Texas Council on Competitive Government , the state agency issuing this Solicitation.
Chain of Custody	A documented, chronological process or audit trail for tracking the transfer and control of Documents and electronic information..
Contract	Any contract(s) resulting from this solicitation, consisting of the contract documentation as provided in Section B.3.4. Note: <i>There is no guarantee that any contract will result from this solicitation.</i>
Contractor / Contractors	The Respondent(s) awarded a Contract as a result of the RFP.
CPA	The Texas Comptroller of Public Accounts
CSD	The Child Support Division within the Texas Office of the Attorney General
Customer / Customers	Those state and local entities, including but not limited to the CPA, that are required and permitted by law to purchase goods and services under contracts established by the CPA. This term includes the employees of these entities.
Digital Imaging	The process of Capturing a variety of source Documents from multiple Source Media with varying degrees of Image quality. Digital Imaging may use character recognition and file compression and deliver in multiple Output File Formats on a variety of Output Media.
Disaster Recovery	Disaster Recovery is defined as the contingency plan a Contractor has prepared that would enable it to continue to conduct normal operations should a natural or catastrophic situation cause normal production and distribution activities to be disrupted.
Document	A written or printed instrument that conveys information. Digital versions of Documents should adhere to ANSI/AIIM standards and any other standards per SOW. This includes working with born-digital Documents (i.e. capturing/indexing incoming virtual faxes) – Documents that that are never in paper form.
Document Handling	Document Handling describes how a Contractor's equipment processes the Document. For example, scanners may be sheet-fed with or without a straight paper path. A straight paper path provides reliable Document transportation for most Documents. Scanners may be of several types, for example, flatbed, rotary, or planetary. Document Handling may include Secure overnight storage (e.g., vault), expert care and handling, stringent standards for temperature, humidity, light, air quality, gas fire suppression, UV light exposure limits, etc., as required by the PA.
Document Preparation	Document Preparation includes removing bindings, paper clips, attachments, and fasteners; photocopying oversize or undersize Documents; purging unnecessary information; or repairing damaged originals for Document receipt, inspection, and inventory. Also included is the mounting of notes or undersized documents to standard white sheets or on the back of the corresponding document if it is blank, unfolding of folded pages, the proper orientation of Images; and, the marking of illegible documents as "Best Available Copy".
DPI	Dots per inch – Dots per inch indicate the resolution of Images. The more dots per inch, the higher the resolution. A common resolution for laser printers is 600 dots per inch. This means 600 dots across and 600 dots down, so there are 360,000 dots per square inch.
ESBD	The Electronic State Business Daily, which is available online at

	http://esbd.cpa.state.tx.us/
File Format	A format for encoding information in a file. Each different type of file has a different File Format. The File Format specifies first whether the file is a binary or ASCII file, and second, how the information is organized. For example, raster Images, ASCII text, SGML tagged for electronic distribution or publishing, PDF Image files, etc.
Final Files and Materials	<p>The Contractor shall provide Final Files and Materials in a format as agreed upon at project completion to the PA. The file shall conform to SOW requirements. The list of Documents converted shall, at a minimum, consist of each Document number, Document title, date, revision level, and page number. This file shall be structured from the source data as specified by the PA. PA may request source Documents, Source Media, Images, indexes, audit trails, searchable text, data dictionary, etc. (in non-proprietary or widely available formats) including anything the Customer paid for and needs to continue business.</p> <p>For example, SOW may require that the Final Files and Materials delineate those Documents for which conversion has been completed; if applicable, the intermediate format in which each Document has been scanned; the applicable character recognition, compression algorithm, output storage media and File Format of the stored Image; and an index for all converted data.</p>
Gov't Code	The Texas Government Code.
HSP	HUB Subcontracting Plan
HUB	Historically Underutilized Business
Image	<p>When used as a noun: An electronic representation of content, such as a Document. It may be loosely divided into two types: master Images, which are Images prior to any enhancement or correction saved in an uncompressed format, and derivative Images, which may have been processed in some manner and are often saved at a lower resolution or in a different format for access purposes.</p> <p>When used as a verb: see definition of "Capture," above.</p>
Image Enhancement	Removal of date stamps and other markings, De-skewing Images to within five (5) degrees or less of skew, De-speckling, cropping, rotation, etc. Image Enhancement is a process to alter (usually in an automated manner) Images to render soiled, faded, speckled, deteriorated, and other aspects of Images to be more pleasing to viewers or more susceptible to automated extraction of text. The Image Enhancement process may reduce background noise and alter uneven line widths, dull edges, faded areas, and uneven illumination.
Image Repository	A central place where a collection of digital Images is kept and maintained in an organized way, usually in computer storage. It may be part of a Document management system with specific functionality to control the check in/out of material, version control, and look-up against defined attributes.
Independent Double Key Entry	The process whereby two different trained operators enter data at different times while looking at the same scanned Image. If the entered data does not match up perfectly (spelling, spacing, etc.), software rejects the data entry and it is routed (along with the Image in question) to a supervisor who resolves the difference. In this manner, every index field is verified at least twice for its veracity. This process helps ensure near one-hundred percent (100%) accuracy.
Indexing	Based on a pre-defined Taxonomy and Metadata, identification of specific attributes of a Document or database record to facilitate retrieval. For example, Images may be indexed by receive date in order to retrieve them in date order.
Intelligent Character Recognition (ICR)	The computer translation of manually entered text characters into machine readable characters.
Large Format	Source Media above 11" x 17" to accommodate maps, architectural and

Document	engineering Documents, for example.
Local Government	A county, municipality, special district, school district, junior college district, or other legally constituted political subdivision of the state.
Local Government Record	Local Gov't Code 201.003(8) "Local Government Record" means any Document, paper, letter, book, map, photograph, sound or video recording, microfilm, magnetic tape, electronic medium, or other information recording medium, regardless of physical form or characteristic and regardless of whether public access to it is open or restricted under the laws of the state, created or received by a Local Government or any of its officers or employees pursuant to law, including an ordinance, or in the transaction of public business.
Metadata	Data that provides information about other data. It is usually expressed as elements in a schema or fields in a database. Typical elements include "Identifier," "Title," "Author/Creator," "Date," and "Keywords," where keywords are terms used in natural language. Metadata may be used by Indexing systems to help retrieve specific items.
Microfiche	Sheet of Microfilm containing an array of micro-images arranged in accordance with a standard grid (e.g., seven (7) rows and fourteen (14) columns) and usually including an eye-legible title along the top edge. Frequently used in micropublishing applications.
Microfilm	High-resolution photographic film suitable for recording micro-images of Documents. Often used to refer to Microfilm in roll format (e.g., 16mm Microfilm).
Needs Assessment and Analysis (NAA)	A documented process to determine the feasibility and justification for Digital Imaging Services for state or local records including consideration of the retention period and activity rate of the records, advantages and limitations of alternate records media, protection of essential records, access or retrieval concerns, and cost comparisons.
OAG	Texas Office of the Attorney General
Optical Character Recognition (OCR)	OCR is a technique by which Images of characters can be machine identified, then converted into computer codes for processing.
Optical Mark Recognition (OMR)	OMR is a technique to recognize check boxes, filled in bubbles, etc. and is highly accurate on properly marked forms. Typically, OMR is used to automatically tabulate the results into a database (such as for surveys or voting).
Output File Format	An Output File Format is a way for PA to receive digital Images in digital files. The SOW may require multiple Output File Formats (i.e., single-page TIFFs with Group IV compression). Sample Output File Formats include, but are not limited to, PDF, PDF/A, searchable PDF, TIFF, JPEG, etc.
Output Media	Digitally converted data delivered to PA in an Output Media as specified by the PA. Examples include: (1) transmitted via SSL, FTP, or VPN; or, (2) written to CD-ROM, 4mm DAT or 8mm magnetic tape; 9-Track 1600 BPI or (3) 6250 BPI magnetic tape; (4) 3.5 inch, 5.25 inch, 12 inch, or 14 inch Write-Once Read-Many (WORM) optical or magnetic disks and/or (5) Write-Many Read-Many optical disks and Output File Format; or other currently available technology.
Participating Agency (PA)	State agencies, institutions of higher education, or other entities in Texas that are required and permitted by law to purchase goods and services under contracts established by the CCG.
Party / Parties	Either the CCG or Respondent separately or collectively.
Permanent Record	Any State Record or Local Government record for which the retention period on a retention schedule issued by TSLAC or approved by TSLAC as permanent.
PPI	Pixels per inch - PPI indicates the measurement of how a monitor displays an

	Image. The resolution of an Image displayed on a monitor is determined by its PPI, or the number of pixels contained within one square inch of monitor space.
Project Manager	The person responsible for leading a project from its inception to completion. This includes planning, execution and managing the people, resources and scope of the project. Project managers must have the discipline to create clear and attainable objectives and to see them through to successful completion. The Project Manager has full responsibility and authority to complete the assigned project. Project Managers may be required by the PA, vendor, or both.
Proposal	The response submitted by a vendor to the CPA as a result of this solicitation.
Re-preparation	Re-preparation consists of reconstruction of the Documents including the attachment of fasteners and bindings, reassembling of the Documents into their original configuration, preparing a Document inventory listing, and packaging/packing for return shipment to the PA.
Respondent / Respondents	Any person or vendor who submits a Proposal in response to this solicitation. Unless the context clearly indicates otherwise, all terms and conditions of this Contract that refer to "Respondent" apply with equal force to Contractor.
RFP	Request for Proposal, which is the type of solicitation embodied in this document.
Secure	Administrative, technical and physical safeguards or, as applicable, use of such safeguards, to ensure the security and confidentiality of records and to protect against any anticipated threats or hazards to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual regarding whom information is maintained.
Source Media	The materials delivered to/received by the Contractor to digitally process including paper, aperture cards, Microfiche, Microfilm, roll film, bound books, etc.
Special Format Capture	The process of scanning non-standard Documents like bound book, photos (both prints and negatives), newspapers, textual materials, manuscripts, maps, drawings, and other formats. Usually, these Documents require special Document Handling or equipment due to age, fragility, size, etc.
State Record	Gov't Code 441.180 (11) "State Record" means any written, photographic, machine-readable, or other recorded information created or received by or on behalf of a state agency or an elected state official that documents activities in the conduct of the state business or use of public resources. The term includes any recorded information created or received by a Texas government official in the conduct of official business, including officials from periods in which Texas was a province, colony, republic, or state.
Statement of Work (SOW)	A PA's Digital Imaging Services request that fully describes the PA's requested services, terms and objectives.
TAC	The Texas Administrative Code, which is the publication for administrative rules.
Taxonomy	A system for naming and organizing content into categories that share similar characteristics.
TIFF	Tagged Image File Format
TSLAC	Texas State Library and Archives Commission
Turnkey Solution	A solution that is immediately ready to use upon implementation and is designed to fulfill the required process.

A.2 DESCRIPTION

A.2.1 Scope of Contract

The Texas Comptroller of Public Accounts, on behalf of the Texas Council on Competitive Government, issues this Request for Proposal. The purpose of this RFP is to establish a Contract(s) with Contractor(s) for Digital Imaging Services. CCG seeks to establish an innovative, multi-year Contract(s) to provide a variety of Digital Imaging Services that are adaptable to the specific needs of PAs. The Contract(s) will allow Participating Agencies to issue Statements of Work for Digital Imaging Services as needed.

CCG intends to award a Contract to one or more primary Contractor(s). The primary Contractor(s) will be the Respondent(s) proposing the best solution(s) for the State's requirements as listed in this RFP. Additional Contract(s) may be awarded to provide required services and alternative solutions for PAs. If CCG awards a Contract to one or more Primary Contractors and awards additional contracts, Participating Agencies will have the option of utilizing such additional Contracts awarded only if they can provide evidence that doing so is based on best value and document their procurement files as such. In determining best value, the PA will evaluate service pricing, security needs, unique services, delivery timelines and other relevant requirements for the specific project for which services are sought.

CCG reserves the right to award only one Contract or to award Contracts to multiple Respondents. CCG also reserves the right to not award any Contracts.

Contract services will be overseen by CCG with authority for contract administration delegated to the [Texas State Library and Archives Commission \(TSLAC\)](#).

No Contracts resulting from this solicitation will include the purchasing and/or leasing of data processing and communications equipment (e.g., scanning equipment, digital computers, display devices, software, LAN/WAN networks), which, for example, may be employed in a document imaging, retrieval, and storage system. Those services or products would be obtained through the [Texas Department of Information Resources \(DIR\)](#) and are not addressed in this solicitation. But in order to provide Turnkey Solutions to an SOW, Contractors are allowed to sell equipment needed for the project after the PA qualifies through a [DIR cooperative contract blanket exemption](#) or a [DIR exemption](#).

A.2.2 Goals of Contract

CCG was established for the purpose of encouraging competition, innovation, and creativity among service providers to improve the quality of the state's services. CCG consists of the following individuals or the individuals they designate: the Governor, the Lieutenant Governor, the Comptroller, the Speaker of the House of Representatives, the Presiding Officer of the Texas Facilities Commission, the Commissioner of the Texas Workforce Commission representing labor, and the Land Commissioner. The Governor is the presiding officer of the council.

A Contract by CCG is specifically exempted in Chapter 2162 of the Texas Government Code from any other state law regulating or limiting state purchasing or a purchase decision.

The CCG identified Digital Imaging Services as an existing state Contract in the Re- Procurement Schedule for CCG Contract Portfolio in its April 16, 2014 open meeting. CCG staff developed a recommendation that opportunities existed for the State to continue cost savings and improved efficiencies by rebidding the program. The current Master Contract has been in place since 2010. In the open meeting, the CCG determined that this service could be enhanced by selecting service providers through competition and directed staff to issue an RFP for this purpose.

This RFP is issued on behalf of all state agencies, and will establish the requirements and general terms and conditions for a Digital Imaging Services Contract(s). The Contract(s) will provide state and Local Government entities a simplified method for purchasing services from Contractor(s) who have agreed to pricing and established terms and conditions.

CCG's desired outcome for the Contract(s) is to accomplish the key goals listed below:

1. Establish a cost effective solution for procuring Digital Imaging Services that is straightforward and easy to understand.
2. Establish additional services, to allow agencies and Local Governmental to tailor solutions appropriate to their needs.
3. Establish pricing that is consistent with state of Texas' Digital Imaging volume.

A.2.3 Contract Usage

Potential PAs for Digital Imaging Services under a Contract resulting from this RFP include Texas state agencies, institutions of higher education, and other entities as provided by applicable law. Requirements and eligibility of any given state agency, institution of higher education or other entity are subject to exceptions, restrictions, and change in accordance with applicable law and subsequent legislative or rulemaking action. The estimated future spend for the Contract(s) is \$57 million based on historical fiscal year 2013 usage and the CCG exercising the three renewal options.

The CCG does not guarantee a specific volume throughout the term of the Contract. No minimum compensation to the Contractor is guaranteed. Quantities indicated for each item in the Attachment D Price Sheet are estimates only and are based upon fiscal year 2013 reported usage for a one-year period. These shall not be construed as a minimum or a maximum quantity of service that may be needed.

See Attachment D, Historical Customer Data, for additional information regarding usage.

Section A.14, Exhibit A contains information for the first SOW using the Contract(s) awarded from this RFP.

A.3 TERM OF CONTRACT

The Contract shall commence upon the issuance of a Notice of Award by the CCG and shall automatically expire on August 31, 2017, with options for renewal for three, one-year periods. At the sole option of the CCG, the Contract may be extended as needed, not to exceed a total of six (6) months.

Renewal Periods:

1st Renewal – September 1, 2017 – August 31, 2018

2nd Renewal – September 1, 2018 – August 31, 2019

3rd Renewal – September 1, 2019 – August 31, 2020

Upon termination of the CCG Contract, defined quantities projects (predetermined amount of Documents) may continue past the expiration date of the CCG Contract. Under such circumstances, the terms and conditions of the PA's SOW and this Contract will remain in effect throughout the term of the SOW. Ongoing projects (services as needed with no predefined quantity of Documents) that require continuing services are subject to the expiration date of the CCG Contract.

A.4 PRICING STRUCTURE

Proposed prices/discounts offered to the state of Texas may be considered the Respondent's most favored Customer pricing; however, CCG reserves the right to negotiate pricing. In the event a Contractor offers or provides a decrease in price or increase in discount to its Customers for the same commodities or services, under the substantially similar terms and conditions, provided for the state of Texas pursuant to its Contract, the Contractor shall provide the same decrease in price or increase in discount for the state of Texas. It is recommended that the Contractor provide said price decrease or discount increase voluntarily.

A.4.1 Firm Price with Escalation

Pricing must remain firm during the initial term of the Contract with escalation in accordance with Section A.5.3.

A.4.2 Additional Fees or Charges

Contractor(s) may not charge any additional fees or surcharges that are not listed on the Mandatory Pricing Sheet, Attachment D.

A.5 PRICE ADJUSTMENTS

A.5.1 Price Adjustment Requests

Price adjustment requests must be submitted to CCG in writing with a signed cover letter detailing the changes at least thirty (30) days prior to each renewal period. Contractor must also provide supporting documentation as justification for the request to include the formulas for the pricing structure.

Upon receipt of a complete, properly submitted request, the CCG reserves the right to accept, reject, or negotiate requested price changes.

The CCG will accept or reject increases within 30 calendar days after receipt of a complete, properly submitted request. If a complete, properly submitted increase request is rejected, the Contractor may

request cancellation from the Contract of items made the basis of such increase request and for which request was rejected by giving the CMO written notice. Cancellation will not go into effect for 30 calendar days after receipt of the Contractor's written notice. If a complete, properly submitted increase request is approved, pre-price increase prices must be honored on orders dated up to the official date of CCG approval and/or cancellation.

Price adjustment requests and notices requesting cancellation can be sent by e-mail to :

David B. Bennett, CTPM, CTCM
david.bennett@cpa.state.tx

Or mailed to:
PO Box 13186
Austin, TX 78711-3186

A.5.2 Price Decreases or Discount Increases

Contractors are required to immediately implement any price decrease or discount increase that may become available. The CCG must be notified in writing for updating the Contract.

A.5.3 Price Adjustment for Firm Price with Escalation

Prices may be adjusted annually at time of renewal or at the sole discretion of CCG throughout the term of the Contract upwardly or downwardly when correlated with the index as specified below and as published by the Bureau of Labor Statistics (BLS), Region VI, Washington, DC 20212.

BLS website: <http://data.bls.gov/cgi-bin/srgate>

Producer Price Index: WPU38110301

Note: Once at website, enter the index number in the Series ID box and click "Next," then "Retrieve Data."

When using the most recent monthly information from the index, the following applies:

A = Index from the month of the due date for Proposals of this RFP, **OR**

The effective date/month of the last approved price increase

B = Current and/or latest baseline index

The allowable percent change shall be calculated as follow:

$$\frac{B-A}{A} \div 100\% = \text{Percent of allowable price increase}$$

The Contractor may offer price decreases in excess of the allowable percent change.

A.6 REQUIREMENTS AND SPECIFICATIONS

A.6.1 Insurance Requirements

The Contractor will, within five (5) Business Days of the date of the Notice of Award, provide CCG with current certificates of insurance or other proof acceptable to CCG. The Contractor will maintain the required insurance during the initial term and any renewal period exercised and any extension period. All provisions below apply to all work for a PA engaged in by virtue of the Contract.

A.6.1.1 Commercial Insurance: All insurance policies shall be issued by companies authorized to do business in the state of Texas. Each insurance contract or certificate of insurance shall:

- a. Be written on a primary and non-contributory basis.
- b. Include a waiver of subrogation clause.
- c. Provide 30 days advance written notice to CCG in the event any policy is canceled, non-renewed or materially changed.
- d. Name (CCG, its Board, Officers, Volunteers, Directors and Employees) as Additional Insureds to all applicable insurance coverage.
- e. Be issued from a company or companies having both a Financial Strength Rating of “A” or better, and a Financial Size Category Class of “VII” or higher from A. M. Best Company, Inc.
- f. All policies should be on an occurrence basis, with the exception of Professional Liability (Errors and Omissions) coverage which Contractor warrants that any retroactive date under the policy shall precede the effective date of the Contract and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.
- g. Ensure all Certificates of insurance identify the described location site and the service or product being provided to the agency.
- h. Renewal policies shall be furnished to CCG 10 days prior to the expiration of the current policies with the appropriate specific endorsements included.

A.6.1.2 Minimum Required Amounts of Insurance Coverage:

- a. Commercial Automobile Liability:
Coverage provided should include: Any automobile, including hired and non-owned automobile liability at:
 - \$1,000,000 combined single limit for each accident
- b. General Liability, Occurrence Based, Bodily Injury and Property Damage:
 - Each occurrence limit: \$1,000,000

- Aggregate limit: \$2,000,000
 - Medical Expense each person: \$5,000
 - Personal Injury and Advertising Liability: \$1,000,000
 - Products /Completed Operations Aggregate Limit: \$2,000,000
 - Damage to Premises Rented to You: \$50,000
- c. Umbrella/ Excess Liability-Minimum of \$10,000,000
- d. Workers Compensation & Employers Liability
- Contractor must maintain Workers' Compensation insurance coverage in accordance with statutory limits covering all personnel who will provide services under the Contract.
 - Employers Liability: Each Accident \$1,000,000
 - Disease- Each Employee \$1,000,000
 - Disease-Policy Limit \$1,000,000
- e. Professional Liability (Errors and Omissions)Minimum of \$1,000,000
Professional Liability covers professional errors and omissions or lack of ordinary skill for the work or professional services required by the Contract.
- f. Cyber Risk Insurance covering acts, errors and omissions arising out of Contractor's operations or Services in an amount not less than \$5,000,000 per occurrence with a privacy endorsement.
- g. Comprehensive Crime Insurance or Blanket Fidelity Bond, including Employee Dishonesty and Computer Fraud Insurance covering losses arising out of or in connection with any fraudulent or dishonest acts committed by Contractor's employees, acting alone or with others, in an amount not less than \$5,000,000 per occurrence.
- h. All-risk property insurance covering loss or damage to Contractor owned or leased equipment and other assets in an amount not less than the full replacement cost of such Equipment and assets.

A.6.1.3 Additional Insurance Coverage

Describe in Section A.12.9.1 any additional insurance coverage that is not listed above or insurance amounts greater than the minimums listed above.

A.6.2 Security

A.6.2.1 The Contractor must provide for the security of all Documents picked up from PAs and the Documents must be transported in a closed and locked vehicle with appropriate climate control. Documents must be Secured in such a manner as to prevent them from being damaged or disarranged during transport.

A.6.2.2 The Contractor must take all necessary precautions to ensure against loss or theft while in possession of the Documents, or at any time while they are the Contractor's responsibility (as in the

case where an authorized subcontractor is used). Additionally the Contractor must have appropriate staff criminal history checks and bonding per the PA's SOW.

A.6.2.3. The Contractor must maintain proper control and handling of the Documents in order to prevent unauthorized access and/or access to the Documents by unauthorized individuals.

A.6.2.4 The Contractor must provide for Secure storage of Source Media while in its custody. It is reasonable for the Contractor to store Source Media for 30 Business Days before the start of a project and 30 Business Days after the completion date at no cost to PA. If there is a charge for additional days then it must be included on the Price Sheet Attachment D. Completion date should be defined as the payment date for the records imaged.

A.6.2.5 The Contractor must utilize a location that is properly Secured in order to ensure adequate protection against theft of or damage to PA Documents. Documents should not be exposed to food, drink, or other contaminants at any time. Documents must be unloaded and scanned in a Secure location and may not be left in an unsecure location or in a Secure location accessible to unauthorized persons.

A.6.2.6 Contractor's facilities must meet or exceed the following minimum security and environmental requirements:

- a. physical security and access control systems;
- b. basic environmental controls, such as air conditioning and heating;
- c. an automatic fire detection system;
- d. emergency opening and alarm activation capabilities that are in compliance with all applicable government fire and safety codes; and
- e. 24 hours per day / 365 days per year police and fire monitoring.

A.6.2.7 Immediately upon becoming aware of any loss, damage to or theft of PA Documents, data, Images, etc., the Contractor must notify the PA and the Contract Administrator.

A.6.2.8 The Contractor must perform all functions of the Contract and keep all related data within the United States. All work and data must remain in the United States.

A.6.2.9 The Contractor must handle, distribute, and store confidential Documents in accordance with all applicable security regulations and laws, including but not limited to Texas Business and Commerce Code Chapters 521, 501, 502, and 503; 15 USC §§6801 et seq. (Gramm-Leach-Bliley Act), 26 USC §§6103, 6108, 7609 (Tax Reform Act), 5 USC §552a (federal Privacy Act); 29 USC §1181 et seq. (HIPAA).

A.6.3 Source Document Destruction or Return

Upon termination or completion of all work and/or at specified intervals as required by PA, the Contractor must comply with the PA requirements for Document disposal or return. All source

Documents and materials produced or delivered, if not already the property of the PA, will become and remain the property of the PA.

When required by the SOW, the Contractor must destroy (rather than return) the Source Media and send written confirmation to the PA that the information has been destroyed. State agencies are required to use the set-aside Document Destruction Services Contracts as per Human Resources Code §122.008 and Contractor(s) are encouraged to accommodate the PA requirements. It is not expected that Documents are to undergo Re-preparation if the Documents are to be destroyed; however, it is always dependent on PA requirements as spelled out in the SOW as to what will be required with Documents following imaging.

A.6.3.1 All data must be destroyed in accordance with PA records series retention periods and records management practices via written consent. If there are no applicable State or PA retention requirements for the data, the data must be destroyed twelve (12) months after the imaging project has been completed. This requirement includes any data that may have been captured by scanning devices used in a Digital Imaging project for any PA. The Contractor must comply with the requirements of 1 TAC §202.28 or §202.78, as applicable, regarding destruction of information stored on hard drives or other media.

A.6.3.2 The Contractor must describe in Section A.12.9.1 how all data Captured will be destroyed once data backup and retention requirements no longer apply and certify in writing to the PA that the information has been destroyed.

A.6.4 Customer Service

The Contractor must deliver “best in class” Customer Service. Your Proposal must address your Customer Service including, but not limited to, your general service call center, sales department, relationship management for escalation of issues, and technical representative available to PA. Your proposal should provide descriptions of all aspects of Customer Service related to services to be performed by Respondent under any Contract issued as a result of this RFP. Include in your Proposal your standard procedures and corrective actions if issues are discovered by PA. Use your response in Section A.12.9.2 to describe your Customer Services.

A.6.4.1 Training

If training is requested by PA, Contractor shall provide all training at no cost unless training costs are listed on the Price Sheet Attachment D. Use your response in Section A.12.9.3 to describe your Training Services and what separates your company from others.

A.6.4.2 Project Management Services

If Project Management Services are requested by PA, Contractor shall provide the services at no cost unless the costs are listed on the Price Sheet Attachment D. A Project Manager, as defined in Section A.2 is a high level creative person that can develop procedures and establish goals which should not be confused with the day to day operation manager that supervises daily activities of the project. Use your response in Section A.12.9.4 to describe your Project Management Services available.

A.6.4.3 Key Personnel

The Respondent must provide resumes in Section A.12.9.2 of key professional staff and other key staff the Respondent proposes to use to fulfill all work listed in this RFP. The Contractor also: (1) shall commit to utilizing key personnel identified for all work performed under any SOW awarded pursuant to the Contract; and (2) agrees to notify CCG within 5 Business Days if key personnel listed in the Proposal are no longer available to the Contractor.

A.6.5 Imaging, Processing, and Quality Assurance Standards

Contractor must follow the imaging, processing, and Quality Assurance standards below which are designed to ensure that digital Documents remain useful and legally valid. The standards help ensure high quality Document Images, retrieval, and storage well into the future. PA's SOW may require other standards as necessary or make exceptions for the quality if the source Document is of poor quality.

Key standards relative to Document processing include, but are not limited to:

- ANSI/AIIM TR25-1995 – The Use of Optical Disks for Public Records
- ANSI/AIIM TR27-1996 – Electronic Imaging Request to Proposal (RFP) Guidelines
- ANSI/AIIM TR28-1991 –The Expungement of Information Recorded on Optical Write Once Read Many (WORM) Systems
- ANSI/AIIM TR31-2004 – Legal Acceptance of Records Produced by Information Technology Systems
- ANSI/AIIM TR32-1994 – Paper Forms Design Optimization for Electronic Image Management (EIM)
- ANSI/AIIM TR 33-1998 – Selecting an Appropriate Image Compression method to Match User Requirements
- ANSI/AIIM TR34-1996 – Sampling Procedures for Inspection by Attributes of Images in Electronic Image Management (EIM) and Micrographics Systems
- ANSI/AIIM TR35-1995 – Human and Organizational Issues for Successful EIM System Implementation
- ANSI/AIIM TR40-1995 – Suggested Index Fields for Documents in Electronic Image (EIM) Environments
- ANSI/AIIM MS52-1991 – Recommended Practice for the Requirements and Characteristics of Original Documents Intended for Optical Scanning
- ANSI/AIIM MS53-1993 – Recommended Practice; File Format for Storage and Exchange of Image; Bi-Level Image File Format: Part 1
- ANSI/AIIM MS55-1994 – Recommended Practice for the Identification and Indexing of page Components (Zones) for Automated Processing in an EIM Environment

A.6.6 Technical Requirements

A.6.6.1 Implementation Requirements

The Contractor must comply with PA implementation requirements.

A.6.6.2 Testing and Acceptance

The Contractor must comply with testing, acceptance process and acceptance criteria as specified by the PA in the SOW.

A.6.6.3 Data Exchange

The Contractor must exchange data compatibly and securely with the PA in accordance with PA requirements.

A.6.6.4 Technology Upgrade Protection and Proprietary Software

A.6.6.4.1 The Contractor must ensure that its Digital Imaging technology does not become obsolete. Must ensure that PA has the latest commercially available version of the Contractor's technology.

A.6.6.4.2 The Contractor must provide digital master and/or derivative Images and index data to the PA in non-proprietary formats designated by PA.

A.6.6.4.3 Use your response in Section A.12.9.5 to describe your systems' technical architecture (i.e., platform, operating system, etc.).

A.6.6.5 Backup Files Retention

The Contractor, at a minimum, must keep Backup Files for up to twelve (12) months after project completion unless otherwise specified by the PA via written consent.

A.6.6.6 Disaster Recovery

The plan must include a detailed listing of alternate service facilities, redundant computer/network systems, order processing systems/customer service personnel and equipment, redundant communications systems, etc. Indicate your companies "double" redundancies that will add assurance if both the primary and backup were compromised, data could be restored. In addition, the plan must describe in detail the methodology, technology and infrastructure necessary for the Contractor to backup and restore the PA Documents. Use your response in Section A.12.9.1 to describe your Disaster Recovery Plan and Procedures.

A.6.6.7 Systems Security

A.6.6.7.1 The Contractor must not connect imaging equipment to the internet without PA's prior written approval.

A.6.6.7.2 The Contractor may offer Secure tiered storage (e.g., online, nearline, offline) if applicable. An agency may require Secure tiered storage for the hosted Images in the SOW.

A.6.6.7.3 Use your response in Section A.12.9.1 to describe the security of your system (e.g., network, servers, hard drives) and protection of confidential information.

A.6.7 Process Requirements

A. 6.7.1 Source Media Inspection - PA shall present documents and/or media in uniform cases/boxes that are suitable for shipping. Submitted shipments shall be accompanied by inventories sufficient for Contractor to identify Documents/media shipped. Details of required packaging and inventory will vary, depending on the job. In general, paper Documents shall be presented in uniform, standard Document boxes.

A.6.7.1.1 The Contractor must inspect all Source Media and notify the PA of any condition which may affect successful performance of the work required. Such notification must be received by the PA within a maximum of ten (10) Business Days, or as stipulated by the PA, following receipt of the Source Media.

A.6.7.1.2 The Contractor must disclose any damage to Source Media during the Digital Imaging process immediately upon becoming aware of such damage or within one hour during normal business hours or at the start of the next Business Day if afterhours. Disclosure should be by phone, followed by same day written notification.

A.6.7.2 Indexing

The Contractor must provide an index or multiple indexes as specified by the PA.

A.6.7.3 Index Quality

The Contractor must ensure Indexing accuracy of 98% or higher using methods such as Independent Double Key Entry or its equivalent as required by the PA. This is measured by the elements in the Document not just the number of Documents scanned. Include in your response to Section A.12.9.5 your company's historical Indexing accuracy and any guarantee you provide to ensure greater than 98% accuracy.

A.6.7.4 Image Quality

The Contractor must ensure Image consistency (e.g., Image contrast, brightness, tone, hue, exact color matching) as required by the PA. During the SOW process, Contractor shall submit samples of Documents at different DPI settings to determine which provides the best Image for the cost. A pre-production sample of sufficient record count size that is agreed upon by the parties shall be furnished prior to full production in order to determine compliance with all job formatting and final product output. See Section A.6.5 for standards.

A.6.7.5 Quality Assurance

The Contractor must perform quality assurance review/testing during the project(s) in accordance with the PA's requirements. The PA reserves the right to perform reviews/testing on any deliverables resulting from this Contract at any time during the project(s).

A.6.7.6 Corrections

A.6.7.6.1 Digital Imaging errors, including deficiencies in Image quality, consistency, or enhancement, caused by the Contractor must be corrected and not charged to the PA. The Contractor must be liable for corrections for twelve (12) months from Output Media delivery, unless otherwise specified by the PA.

A.6.7.6.2 The Contractor must rescan assignments that have an error rate exceeding the PA SOW tolerance for errors at no charge to PA.

A.6.7.7 Returned Source Media

All Source Media provided by the PA must be returned with the delivered product in the same condition and sequence as the original submission unless otherwise specified by the PA.

A.6.7.8 Use your response in Section A.12.9.5 to describe your quality controls (Indexing, Image, Quality Assurance, and Correction).

A.6.8 Imaging Services

Imaging requirements for individual projects will be described in PA's SOW. The PA's SOW may specify any combination and complexity of the following activities:

- Needs Assessment and Analysis;
- Inventory tracking/Chain of Custody;
- Document Preparation;
- Document Handling;
- Indexing;
- Image Enhancement;
- ICR/OCR/OMR;
- Document Re-preparation;
- Interfaces with PA's systems;
- Records management;
- Image Repository hosting; and
- Image Repository maintenance.

A.6.8.1 Preparation, Handling and Re-preparation

A.6.8.1.1 The Contractor must be responsible, at a minimum, for basic Document Preparation, Document Handling and Re-preparation during the Digital Imaging process as defined in SOW.

A.6.8.1.2 The Contractor must be able to scan mixed-sized Documents (e.g., sticky notes, certified mail cards) and Large Format Documents, if applicable.

A.6.8.1.3 The Contractor must remove any staples, paper clips, unfold and flatten the Documents as necessary for proper imaging, following PA SOW handling procedures.

A.6.8.1.4 The Contractor must be able to scan Documents of various weights (e.g., carbon paper to card stock).

A.6.8.2 The Contractor must be able to track at box and Document level. Additionally the ability to create a unique identifier for each scanned Document (e.g., Document ID) and to deliver Output Media that is labeled in such a manner as to identify the contents of the deliverable.

A.6.8.3 The Contractor must be able to perform Image Enhancement immediately after Digital Imaging if required by PA.

A.6.8.4 Contractors must also support PA's processes for managing records' lifecycle. (For more information contact TSLAC for additional information on State Records and records laws or Local Government Records and records laws.) Additionally Contractor must comply with, at a minimum, the statutes and regulations regarding all record management and electronic records listed below:

- State – [Gov't Code 441.180-205](#) and rules [13 TAC 6](#)
- Local – Local Government Records Act – [Local Gov't Code 201-205](#) and rules [13 TAC 7](#)

A.6.8.5 Image Repository Hosting

A.6.8.5.1 The Contractor must meet or exceed the State's requirements for PAs as listed in 34 TAC § 202 which include but not limited to providing the ability for user administration and user management, including Secure login, user IDs, password controls, auditing, and monitoring for data mining.

A.6.8.5.2 The Contractor must provide the ability for the PA to perform Document search and retrieval based on specifications in PA's SOW.

A.6.8.5.3 The Contractor must provide the ability for viewing Images based on specifications in PA's SOW.

A.6.8.5.4 The Contractor must provide PA a method of transferring nonproprietary formats of Images, indexes, audit trails, and other related Customer data that they have hosted to the PA upon termination or expiration of Contract at no additional cost.

A.6.8.5.5 Redundant Hosting at a location different from the physical location of the Image Repository may be needed by PA. This service covers hardware/software/images, etc. for Disaster Recovery/failover of Image repository and its functionality. If there is any cost or fees for this optional service of redundant hosting, they must be listed on Price Sheet Attachment D.

A.6.8.6 Image Repository Maintenance

A.6.8.6.1 The Contractor must deposit the Images into the Image Repository in PA selected Output Format and to update the Image Repository with new index information. An agency may require the system automatically, with no human intervention, update existing index

information to existing stored Images without creating a new version of the original Images in the SOW.

A.6.8.6.2 The Contractor must insert Images into client-specified positions within an existing electronic Document online.

A.6.8.6.3 The Contractor must add and update content of an electronic file by authorized users.

A.6.8.6.4 The Contractor must transmit Images, indexes and database updates to Image Repository.

A.6.8.6.5 The Contractor must allow PA to have authorized users who may add, delete, and update Images in the Image Repository.

A.6.8.6.6 Adding electronic Documents to Image Repository may be required in a PA's SOW. All costs or fees for adding electronic Documents to the Image Repository must be listed on Price Sheet Attachment D.

A.6.8.7 The Contractor must produce a Needs Assessment and Analysis and/or a Project Plan report for PA that includes projected costs, a milestone schedule, and recommendations with clearly defined requirements linked to the project goals to ensure high quality, cost-efficient solutions based on SOW.

A.6.8.8 Preservation Imaging services for a variety of Permanent Records and other historical materials may be needed. The services will be tailored to PA requirements because materials in this category will have a different range of characteristics (e.g., age, size, condition). Sample goals of Preservation Imaging would be to provide a digital surrogate for researchers in order to reduce handling of the original and to provide a means for researchers, students, and interested parties to find and view digital Images in various ways. SOW specifications may include requirements to follow specific laws, rules, guidelines, etc. For example, these may be from TSLAC, federal agencies (regarding funds, grants, etc.) or others. The requirements for on-site work, work done at a facility or in a mobile unit will be determined by the PA that issues the SOW. All costs or fees for Preservation Imaging Services must be listed on Price Sheet Attachment D.

A.6.8.8.1 Preparation, Handling and Re-preparation

- a. The Contractor must provide special Document Handling, which may include Secure overnight storage (e.g., vault), expert care and handling, stringent standards for temperature, humidity, light, air quality, gas fire suppression, UV light exposure limits, etc., as required by the PA.
- b. The Contractor may perform work on the PA's site in a Secure area designated by the PA and with oversight by PA staff following handling procedures specified by the PA.
- c. The Contractor must be able to scan mixed-sized Documents (e.g., sticky notes, Certified Mail cards) and Large Format Documents, if applicable, without the use of automated Document feeders or other mechanical handling methods unless those methods allow a straight paper path and a non-mechanical method of

clearing jams. Documents shall be placed into archival enclosures as needed to ensure that mechanical handling does not cause damage.

- d. Prior to beginning any Imaging project, the Contractor and PA must evaluate the condition of Source Media and steps needed for preservation of the Source Media, particularly for materials created prior to 1900 or which have a history of improper storage.
- e. Documents that have been stored in a rolled or tri-folded state are more particularly fragile. Contractor should use a humidification chamber when appropriate and necessary to relax the Documents properly before unfolding, flattening and scanning so as to keep them from cracking or tearing when flattened.
- f. Contractor must use appropriate imaging methods, such as use of a face-up or planetary scanner, that will not damage any wax seals, paper seals, raised embossed seals, or other intended permanent items affixed to Documents.
- g. The Contractor, if approved by PA to do so, may remove any staples, paper clips, straight pins, grommets, and all other paper fasteners as well as unfold and flatten Documents as necessary for proper Imaging, provided that such removal does not damage or weaken the Documents.
- h. Contractor must have processes in place to remove any materials that may be damaged by imaging from the imaging workflow and to notify and advise the PA regarding appropriate measures for handling and treatment of these items. PA must be given written notice of this process before the work begins.
- i. The Contractor must be able to scan Documents of non-standard weights (e.g., carbon paper, onionskin paper, card stock), including non-wood-based stocks (skins, vellums and parchments), and other materials for which the use of automated Document feeders or other mechanical handling methods is not acceptable or appropriate.
- j. Contractor must provide specific File Formats and multiple File Formats per PA's SOW which may include, for example, a master Image file and derivatives such as access file(s) and a thumbnail file in specific compression schema and as needed to support required Output File Formats.

Contractor must comply with Image Capture requirements of up to 1200 PPI and 24-bit color for Documents and photographic Images per SOW.

- k. The Contractor must provide Special Format Capture services for Source Media including bound books, photographic prints, transparent media (both negatives and slides), newspapers, manuscripts, maps, architectural drawings, three-dimensional objects such as daguerreotypes and magic lantern slides, and a variety of other fragile or friable materials. Such services will use appropriate equipment, such as planetary cameras, camera-based reprographic systems, book cradles and/or dedicated book scanners, etc.

A.6.8.8.2 Bonding and Insurance

- a. Contractor must have bonded staff handling historic and Permanent Records per SOW.
- b. Contractor must provide proof of insurance to cover historic and Permanent Records per SOW.

A.6.8.8.3 Image Enhancement

- a. The Contractor must be able to perform Image Enhancement immediately after Digital Imaging if required by PA.
- b. The Contractor must be able to select appropriate bit depth, resolution, tonal dynamic range, color space, color mode, contrast and other settings to provide best Capture from Source Media to electronic Image per SOW.

A.6.8.8.4 High-Level Indexing & Metadata

The Contractor must provide Indexing, which may include high-level Indexing to Capture all or part of PA's need for Metadata regarding the Image. Indexing can be Document, file, folder or some other level depending on agency needs. This requirement will be spelled out in PA SOW.

A.6.8.9 Desktop Scanning Services

Desktop Scanning Services are Digital Imaging Services that are performed at PA location by PA personnel using Contractor's scanner equipment. The PA is responsible for location security, network security, preparations, Documents being scanned and disposal after scanning. The Contractor is responsible for scanning equipment, maintenance/repairs and Image quality. Desktop scanning may be to PA's or Contractor's repository. All cost or fees for Desktop Scanning Services must be listed on Price Sheet Attachment D.

A.6.8.10 End of Projects

The Contractor shall meet with the PA and review the SOW for completion and identify and resolve any outstanding issues. In addition to specific requirements in SOW at a minimum:

- The Contractor must provide a Final Files and Materials in a format as agreed upon with the PA upon project completion. See definition of Final Files and Materials.
- Also, Contractor shall provide PA with audit trails, documentation, data dictionary, schema, and information necessary to use the images and related data.

Use your response in Section A.12.9.5 to document how your company meets or exceeds the above Imaging Servicing Projects requirements in Section A.6.8 and how they will add additional benefits to the PAs.

A.6.9 Referenced Brand

Catalogs, brand names or manufacturer's references are descriptive only, and indicate type and quality desired. Proposals on brands of like nature and quality will be considered unless advertised as proprietary under Section 2155.067, Texas Government Code. If proposing other than the referenced

brands/model number, Respondent must show manufacturer, brand or trade name, product number and provide complete descriptive information of product offered and include with Proposal. Failure to take exception to specifications or reference data will require Contractor to furnish specified brand names, numbers, etc.

A.6.10 Quantities:

CCG does not guarantee a specific volume to be purchased throughout the term of the Contract. No minimum compensation to the Contractor is guaranteed. Quantities indicated for each item in the Mandatory Price Sheet, Attachment D are estimates only and are based upon previous usage for a one-year period. These shall not be construed as a minimum or a maximum quantity that Customers may order.

A.6.11 Public Information Accessibility:

Contractor is required to make any information created or exchanged with a state governmental entity (as defined by §2252.907(d), Gov't Code) pursuant to this Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in at least one of the following formats that is accessible by the public at no additional charge to the State of Texas, CCG, CPA, or PAs: portable document format (pdf) compatible with the latest version of Adobe Acrobat®; Microsoft Word®; Microsoft Excel®; or hard copy (paper).

A.7 DELIVERY

A.7.1 Statewide Services:

PAs for the Contract will be located throughout the State. Respondent shall describe its geographic coverage area in response Section A.12.9.5. This discussion should include office and processing locations, personnel availability, and any other location or delivery information that will assist PAs.

A.7.2 Freight Charges:

All freight charges for pick-up or return delivery of Documents using Contractor's vehicles must be listed on the Price Sheet Attachment D. The first 20 miles is included in the base charge. On the Price Sheet, this should be expressed as a base charge for the round trip and cost per mile over 20 miles on the round trip for either a pick-up or return of Documents.

Example: PA is 25 miles from Contractor's scanning location. For a pickup PA would be charged the base charge plus a mileage fee for 30 miles. (50 miles round trip minus 20 miles equals 30 miles.)

Then if Documents are returned after scanning, the PA would be additionally charged the base charge plus a mileage fee for 30 miles.

All carrier freight charges to receive or return Documents must be listed on the Price Sheet as a per box charge.

A.7.3 Special Delivery Requirements:

PAs may have specific, internal delivery rules and policies. An example would be Texas Department of Criminal Justice. These will be provided on each purchase order issued by the PA. The Contractor(s) will be required to adhere to those requirements at no additional cost.

A.7.4 Hours of Pick-up or Delivery:

Pick-up or delivery services shall be made during the hours of 8:00 am to 4:00 pm (CST) of the PA unless prior approval for after-hours services has been obtained from the PA. In the event of any approval by the PA for after-hours service, Contractor may not invoice any additional charges for that service. Contractor is encouraged to obtain PA's hours of operation at time of order.

A.7.5 Pick-up and Delivery Delays:

If delay is foreseen, Contractor shall give written notice to the PA and must keep PA advised of status of service order. Default in promised delivery (without accepted reasons) or failure to meet specifications authorizes the PA to purchase services of this RFP elsewhere and charge any increased costs for the goods and services, including the cost of re-soliciting, to the Contractor. Failure to pay a damage assessment is cause for Contract cancellation and/or debarment or removal of the Contractor from the State's Centralized Master Bidders List (CMBL).

A.7.6 Compliant Services and Products:

Providing products or services which do not meet all specification requirements does not constitute delivery. Delivery does not occur until Contractor delivers products or services in full compliance with the specifications to PA's F.O.B. destination, unless delivery is specifically accepted, in whole or in part, by the PA. PA reserves the right to require new delivery or a refund in the event that materials or services not meeting specifications are discovered after payment has been made.

If Contractor does not meet deadline for project completion, a credit will be applied to PA account for a sum of not less than 2% of the total project cost for missing major project deadline as defined in the SOW by the PA unless this delay is subject to Force Majeure, see Section B.7.13 or PA agreed to amend the SOW.

A.8 REPORTING AND FINANCIAL MATTERS

A.8.1 Award Notice

A notice of award will be issued by CCG to the successful Contractor(s) in response to this RFP.

A.8.2 Participating Agency Purchase Order

PA must issue an internal purchase order and reference CCG Contract No. 920-C1 to be eligible for Contract pricing. Prior to issuing a SOW, PA should contact the Texas State Library and Archives Contract Manager before seeking to procure.

A.8.3 Reporting Requirements

List and describe in response to Section A.12.9.6 all of the reports that will be available to PA either online or in hard copies. Include samples or screen shots of reports, and other management tools that will assist PA in managing their Digital Imaging services.

At a minimum, a statewide Contract billing report must be provided monthly by the 10th of following Customer statement month that provides the details as listed in Attachment E. This report shall be sent electronically to the Texas State Library and Archives Contract Manager and the CCG category manager. A Contractor performance report may be entered into the statewide Contractor Performance Tracking System each quarter documenting Contractor's compliance with this requirement. Statewide usage reports shall identify the PAs based on state identification numbers to be provided to Contractor(s) after award. Describe in response to Section A.12.9.6 the other statewide reports that will be available and how they will assist the CCG and PAs in managing Contractor performance during this Contract.

A.8.4 Invoices and Expedited Payment Discounts

The Contractor must provide a detailed invoice on at least a monthly basis (unless otherwise specified by the PA) for services provided the previous month in a format agreed upon with the PA. This should be for only services completed and delivered to PA. Invoice or attached detail to invoice must clearly identify quantities and items conforming to the awarded Price List for the Contractor.

Reference Part B, General Instructions and Contract Terms and Conditions, Section B.5.3 Invoicing and Payment Requirements.

Payment terms for the state of Texas are typically 30 days. Please indicate the additional discount extended to each monthly invoice on Attachment B – Respondent Contact Information Form.

A.8.5 Contract Transition

The Contractor must agree that at the end of this Contract, should the CCG conduct procurement and award a new Contract, the Contractor will work with CCG to ensure that an efficient and effective transition takes place.

In the event the awarded Contract expires or is terminated for any reason before the end of the contract period, Contractor shall extend the services for a period up to one hundred eighty (180) days (time period is at sole discretion of the CCG), or until such time as services of a new Contractor are in effect and implemented, as determined by and at the sole discretion of CCG.

Upon the end of the Contract or the completion of a project, Contractor will provide PA at no cost, source Documents, Source Media, Images, indexes, audit trails, searchable text, data dictionary, etc.

(in non-proprietary or widely available formats) including anything the PA paid for and needs to continue business with a new Contractor.

Contractor shall cooperate fully during the transition period and shall provide the required information, i.e., account data, PA names and addresses for billing, mailing, reports, etc., in a format specified by the CCG. All terms and conditions during such an extension period shall remain the same as in effect during the most recent Contract term. Contractor shall provide such transition assistance at no charge.

Documentation of completion of transition shall be provided by Contractor on a weekly basis including, but not limited to, name of PA that has transitioned, and the number of accounts terminated or other information required by CCG.

A.9 PROPOSAL REQUIREMENTS

A.9.1 Due Date for Proposals

To be considered timely, a Proposal should be received by CCG no later than the Proposal/Response Due Date and Time. Each Respondent assumes sole and exclusive responsibility for verifying receipt by CCG of all documentation delivered to CCG by Respondent.

A.9.2 Calendar of Events

The solicitation process for this RFP will proceed according to the schedule below. The CCG reserves the right to revise this schedule or any portion of this RFP by published Addendum.

Event	Date
ESBD Posting Date	April 24, 2014
Pre-Proposal Conference	May 5, 2014; 9:00 AM Central Standard Time
Deadline for Submitting Questions	May 6, 2014
Official Response to Questions: Answers to questions will be provided through an Addendum, posted on the ESBD and notification sent via e-mail.	May 12, 2014 (or as soon thereafter as practical)
Proposal/Response Due Date and Time	May 23, 2014; 2:00 PM Central Standard Time
Contractor Discussions	June 17-20, 2014
Expected Award of Contract	July 2014

Any amendment to this solicitation will be posted as an addendum on the ESBD. It is the responsibility of interested parties to periodically check the ESBD for updates to the RFP prior to submitting a Proposal. The Respondent's failure to periodically check the ESBD will in no way release the selected Contractor(s) from the requirements of "addenda or additional information" nor will any resulting additional costs to meet the requirements be allowed after award(s).

A.9.3 Pre-Proposal Conference

The non-mandatory Pre-Proposal Conference is scheduled for the date and time listed above in the Calendar of Events section. The location of the conference is:

Travis Building – Room 1-100

The pre-proposal conference allows Respondents opportunities to ask CCG questions and/or clarify provisions of this RFP. Respondents are encouraged to notify the point of contact regarding attendance at the Pre-Proposal Conference no later than April 30, 2014.

A.9.4 Point of Contact

Respondents shall direct all inquiries and communications concerning this RFP to the Point of Contact listed below.

Respondents shall make no contact with other CCG or agency personnel regarding this RFP, except as permitted by the CCG Purchaser as listed below.

Failure to comply with these requirements and communications with other than the point of contact may result in disqualification of a Proposal.

Note: This e-mail address is NOT to be used for submission of a Proposal. Follow the instructions outlined in Sections A.12 and A.13 for proper submission.

CCG Purchaser:

David B. Bennett, CTPM, CTCM
Texas Comptroller of Public Accounts
Strategic Sourcing Division
P.O. Box 13186
Austin, Texas 78711
Phone: 512-463-7817
Email: david.bennett@cpa.state.tx

After award of this RFP's subsequent contract, all requests for Contract changes and all communications relating to the Contract will be processed through the CCG.

A.9.5 Attachments Included with this RFP

This RFP also includes the following Attachments.

	Documents and Attachments – Posted Separately on the ESBD
1.	Part A: Special Instructions (This Document)
2.	Part B: General Instructions and Contract Terms and Conditions
3.	Package 3: Execution of Proposal and Assurances (with Certification) – Attachment A Respondent Information Form – Attachment B Preferences – Attachment C HUB Subcontracting Plan (HSP)
4.	Mandatory Price Sheet – Attachment D
5.	Reporting Template - Attachment E
6.	OAG Statement of Work – Exhibit A

A.9.6 HUB Subcontracting Plan – Reference Part B; Section B.2.5

It is the policy of the CCG and CPA to promote and encourage contracting and subcontracting opportunities for state of Texas certified Historically Underutilized Businesses (HUBs) in all contracts in compliance with Chapter 2161, Gov't Code.

The HUB Subcontracting Plan (HSP) documentation must be completed, signed and returned with the Proposal to be considered responsive. Proposals received without the HSP shall be rejected as a material failure to comply with the requirements of this RFP and Non-Responsive.

Respondents may submit for preliminary review a draft HUB Subcontracting Plan to the Point of Contact's email listed in section A.9.4 by May 1, 2014. This draft plan will be reviewed and suggestions will be provided if needed to assist in the completion of the HSP. Failure to receive a response or suggestions in response to submission of a draft HUB Subcontracting Plan will not relieve or excuse a Respondent from the mandatory HUB Subcontracting Plan requirements or the deadline for submission.

The final HUB Subcontracting Plan Form must be returned with the Proposal by the Proposal due date and time to be considered responsive. **If the Proposal does not include a HUB Subcontracting Plan, it shall be rejected as a material failure to comply with the requirements of this RFP.**

The following are probable subcontracting opportunities that have been identified for this contract:

NIGP Class/Item	Description
962-86	Transportation of Goods and Other Freight Services IMPORTANT INFORMATION REGARDING FREIGHT SERVICES: <ul style="list-style-type: none">• Third Party Shipping: Respondent shipping or delivering goods from their facility within the state of Texas using a third party, complete Method B (Attachment B), Good Faith Effort on the HUB Subcontracting Plan.• Method B requires HUBs to be provided seven (7) business days to respond.• The Good Faith Effort must be concluded and included in the proposal by or prior to the due date/time of this RFP. Reference the detailed instructions within the HUB Subcontracting Plan.
920-05	Application, Infrastructure, Hosting, and Cloud Computing Services
920-19	Computer Digitizing Services
920-21	Data Entry Services
920-22	Data Preparation and Processing Services
920-28	Emergency Back-up Services and Facilities for Data Processing
920-30	Image Processing and Conversion Services
920-34	Media Conversion Services
920-38	Optical Scanning Services
920-48	Storage Services, Data Media
958-82	Records Management Services
990-28	Document Recovery Services, Disaster

This list should not be considered a mandatory or an exhaustive list. Other areas of subcontracting may be more appropriate given the Respondent's business structure and internal resources. Please see the

attached HUB Subcontracting Plan for further instructions which require Contractors to identify the specific areas intended for subcontracting.

A.9.7 Employee Benefit Overview and Certification

The Respondent's Proposal must include as per [Texas Government Code 2162.103\(b\) and 34 TAC § 401.61:](#)

1. A statement of the number and salary of individuals connected with the performance of the work, including: employees, independent contractors or subcontractors, and others;
2. A description of the (a)health care, (b)retirement and (c) workers' compensation insurance benefits to be provided for individuals receiving compensation in connection with the performance of the work, and the cost to the proposer of providing these three benefits;
3. A description of any employee rights or personnel policies to which the proposer's other employees are subject or entitled;
4. A statement certifying that the overall package of salaries and benefits to be provided to employees performing the identified service under the proposer's contract will be reasonably comparable to the overall package of salaries and benefits if state employees performed functions similar to those performed by the proposer's employees on the identified service. The certification shall be based on the overall character of the salaries and benefits package and not on the presence, absence, or level of one particular benefit or on a specific salary level;
5. A description of all charges filed against the proposer, or any person or entity affiliated with the proposer, alleging discrimination or unfair labor practices with any state or federal agency or state or federal court in the five years preceding the submission of the proposal, together with a description of the resolution, if any, of each charge; and
6. A description of any convictions for bribery or similar offenses entered against the proposer or any person or entity affiliated with the proposer.

A.9.8 Additional Services

Describe in Section A.12.9.7 the additional services not required above that your company provides at no cost to PA and how these services will benefit the PA. This is also an opportunity to describe additional related Digital Imaging Services that are available with a cost. Cost must be listed on Price Sheet Attachment D. CCG may or may not add the additional service(s) to the awarded contract.

A.9.9 References

In Section A.12.9.8 Proposals must list five references and include: a contact name, title, email and telephone number. References should be a similar size and type of programs as CCG's program as described in Section A.2.3. References should be Customers during the last five years. For each reference, state when your contract with the reference began and state whether the reference is a current Customer. Include the annual volume in Images processed.

A.9.10 Marketing to Local Government

Describe in Section A.12.9.9 your solution to market this Contract to Local Government entities which includes county, municipality, special district, school district, junior college district, or other legally constituted political subdivisions of the state. Include examples of past marketing efforts to similar groups and your successes.

A.9.11 Financial Responsibility/Stability

In Section A.12.9.10 the Respondent must provide evidence of financial responsibility and stability for performance of the requirements/services for which a Proposal is submitted. In addition, the Respondent must disclose the source of any outside financial resources that will be utilized by the Respondent to enable it to perform any SOW awarded pursuant to the RFP. CCG reserves the right to require any additional information necessary to determine the financial integrity and responsibility of a Respondent and to reject a response on the grounds of the Respondent's financial soundness.

A.10 EVALUATION OF PROPOSALS

The CCG reserves the right to award Contract(s) without any negotiations and reserves the right to not make awards.

The Respondent is strongly encouraged to provide its best price in its Proposal because the CCG makes absolutely no guarantee that there will be any opportunity to negotiate or provide alternative pricing at any point during the RFP process. The CCG may limit the number of Proposals in the competitive range to consist of the greatest number of Proposals that will permit an efficient competition among the respondents based in accordance with the proposed pricing and the required criteria specified in the RFP. CCG may seek additional information and solicit BAFOs only from those Respondents determined to be in the competitive range.

CCG shall award a Contract(s) to the Contractor(s) whose Proposal is considered to be the best value to the State, as defined in Texas Government Code §2155.074. Proposals may be evaluated by CCG, CPA and other State Agency or CO-OP employees who may be invited to assist as evaluators. Each member evaluating Proposals shall execute a confidentiality agreement for this RFP. Each evaluated Proposal will be reviewed and scored according to the criteria outlined in this section of the RFP.

CCG reserves the right to conduct studies and other investigations as necessary to evaluate any Proposal. CCG reserves the right to waive any minor or immaterial response requirements noted in the submission process. Submission of Proposals confers no legal rights upon any Respondent. CCG will determine whether negotiations or Best and Final Offers are necessary and may invite selected Contractors to provide presentations of their Proposals.

A.10.1 Phase I: Evaluation of Mandatory Requirements

For Phase I evaluations, the Proposals received will be reviewed by the assigned Procurement Officer. The purpose of this phase is to determine whether each Proposal has met all requirements of the RFP (summarized in the Proposal submission checklist), including financials, and is sufficiently responsive to permit further evaluation. In the mandatory requirements evaluation phase, each Proposal shall be evaluated as either "pass" or "fail." Any Proposal that has been rejected for a material failure to comply with the RFP requirements, any Proposal that is Non-Responsive to the RFP, or any Proposal that fails to include submission of required documentation or information will be evaluated as "fail" and will not be given further consideration. Additionally, any Proposal that fails to address each requirement set forth Sections A.6, A.9.6 or A.9.7 in this RFP may be evaluated as "fail" and will not be given further consideration. CCG may, in its sole discretion, consider submission of a fully

explained exception to a requirement set forth in Section A.6 as addressing the item to which exception is taken. CCG reserves the right to waive any minor or immaterial response requirements noted in the submission process.

No Proposal that fails Phase I will be given additional consideration. Only those Proposals that pass Phase I upon initial review shall be considered for Phase II evaluation. Proposals that do not fail Phase I evaluation may still be disqualified from an award in Phase II or Phase III if the evaluators, upon further review of the Proposal, discover any issue that should have resulted in a “fail” under Phase I.

The CCG may conduct reference checks with other entities regarding past performance. Due to the unique nature of the services provided, the CCG may particularly focus, in its discretion, on conducting reference checks with other governmental entities regarding billing accuracy and contract compliance with services provided. CCG may examine other sources of Respondent’s performance including, but not limited to, notices of termination, cure notices, assessments of liquidated damages, litigation, audit reports, and non-renewals of Contracts. Any such investigations shall be at the sole discretion of CCG, and any negative findings, as determined by the CCG, may result in non-award to the Respondent.

A.10.2 Phase II: Evaluation of Cost Proposal

For Phase II evaluation, CCG shall evaluate the cost proposal submitted by the Respondent and rank all Proposals from lowest to highest cost.

CCG reserves the right based on the evaluation of the cost proposals, to limit further evaluation of Proposals not found to be in a competitive range with those of other Respondents. Therefore, Respondents are cautioned to provide their most competitive pricing and terms in their original Proposals. CCG makes no guarantee that Respondents will have any additional opportunities to improve upon their Proposals.

A.10.3 Phase III: Evaluation of Response to Requirements

For Phase III evaluation, CCG shall appoint an evaluation team comprised of CCG employees and other non-CCG employees to evaluate the merits of the Respondent’s response to requirements and all other components of the Proposal that are appropriate. The evaluation team will determine weights for each RFP requirement listed in Section A.12.9 prior to reviewing Proposals, and score each Proposal that advances to Phase III.

CCG reserves the right to conduct studies and other investigations as necessary to evaluate any Proposal. The Evaluation Committee may determine a Proposal is Non-Responsive if it does not provide sufficient evidence of its ability to meet minimum requirements.

CCG, in a public meeting, may consider award recommendations, as presented by CCG staff, for Contract(s) related to this solicitation.

	Scoring
Phase I - Evaluation of Minimum Requirements	

	Pass/Fail
Evaluation of Mandatory Proposal Requirements (Section A.10.1)	
Contractor Past Performance (Section A.10.1)	
Phase II - Evaluation of Cost Proposal	Weight
Cost Proposal (Attachment D)	40%
Phase III - Evaluation of Requirements	Weight
Response to Requirements (Format as described in Section A.12.9)	60%

Respondent(s) should be aware that sealed Proposals and information regarding sealed Proposals cannot and will not be disclosed to the public prior to award of Contract(s).

A.11 AWARD PROCESS

A.11.1 Award

CCG shall award a Contract(s) to the Contractor(s) whose Proposal is considered to be the best value to the state, as defined in §2155.074, Gov't Code.

The CCG may make its award to Contractor(s) based on any combination, including, but not limited to individual line item, commodity groups, all or none or a combination thereof that provides best value to the State.

A.11.2 Multiple Awards

CCG may award multiple Contracts as referenced in Section A.2.1, above.

A.11.3 Substitutions

During the Contract term, the Contractor shall not substitute a service, product or brand unless the Contractor has obtained prior written approval from the CCG Contract Manager in coordination with the PA. The Contractor must have written confirmation from the CCG Contract Manager of the substitution before making delivery.

A.11.4 Adding New Commodities and/or Services to the Contract after Award

Following the Contract award, additional commodities and/or services of the same general category that could have been encompassed in the award of this Contract, and that are not already on the

Contract, may be added. A formal written request may be sent to successful Contractor(s) to provide a Proposal on the additional commodities and/or services and shall submit Proposals to the CCG as instructed. All prices are subject to negotiation with a Best and Final Offer (“BAFO”). CCG may accept or reject any or all Proposals, and may issue a separate RFP for the products after rejecting some or all of the Proposals. The commodities and/or services covered under this provision shall conform to the specifications and requirements as outlined in the request.

A.12 ORGANIZATION OF THE PROPOSAL FOR SUBMISSION

The Proposal shall include all information required in this RFP and shall be in the format described herein. The Respondent is solely responsible for thoroughly understanding the RFP and its attachments, exhibits, and forms. Any questions concerning this RFP should be directed to the Point of Contact by the Deadline for Submitting Questions identified in Part A. The Respondent is cautioned to pay particular attention to the clarity and completeness of its Proposal. The Respondent is solely responsible for its Proposal and all documentation submitted.

The Respondent shall be as precise, accurate, and succinct as possible. The Respondent shall provide detailed descriptions of how they will fulfill each requirement. The clarity and completeness of a Proposal may be considered by the CCG evaluators.

	Organization of the Proposal for Submission
A.12.1	Confidential/Proprietary Information
A.12.2	Execution of Proposal – Attachment A
A.12.3	Respondent Contact Information Form – Attachment B
A.12.4	Preferences – Attachment C
A.12.5	HUB Subcontracting Plan
A.12.5	Employee Benefit Certification
A.12.6	Mandatory Price Sheet – Attachment D
A.12.7	Assumptions and Exceptions
A.12.8	Conflict of Interest Disclosure if any
A.12.9	Proposed Solutions for CCG
A.13	Response to OAG SOW (optional)
A. 9.2	Signed Addenda if any

A.12.1 Confidential/Proprietary Information:

If any material in the Proposal is considered by Respondent to be confidential or proprietary information, Respondent **must** clearly mark the applicable pages of their submission to indicate their claim of confidentiality, specifically identifying the information Respondent considers to be confidential or proprietary and specifically identifying the legal basis for confidentiality. Additionally, Respondent must include a statement on company letterhead identifying all Proposal section(s) and page(s) which have been marked as confidential. Merely making a blanket claim that the entire Proposal is protected from disclosure because it contains some proprietary information is not acceptable, and shall make the entire Proposal subject to release under the PIA. See Section B.2.7, Part B: General Instructions and Contract Terms and Conditions.

By submitting a Proposal, each Respondent agrees to reproduction by the State of Texas, CCG, and PAs, without cost or liability, of any copyrighted portions of Respondent's Proposal or other information submitted by Respondent to comply with any Legislative Budget Board reporting requirements or other reporting requirements mandated by law.

A.12.2 Execution of Proposal – Attachment A

Respondent's signature is required to acknowledge that they can meet all requirements as stated and failure to sign and submit this form with its Proposal may disqualify the Proposal.

A.12.3 Respondent Contact Information Form – Attachment B

All information on this form must be provided as requested.

A.12.4 Preferences – Attachment C

Respondents are encouraged to carefully review this attachment and complete as applicable.

A.12.5 HUB Subcontracting Plan and Employee Benefit Certification

Probable subcontracting opportunities have been identified in Section A.9.6. The Respondent shall fill out the HUB Subcontracting Form and submit it with the Proposal in order for the Proposal to be considered responsive. Failure to submit the form in full compliance with the instructions in the form will result in mandatory disqualification of the Proposal.

In a separate document as per Section A.9.7, provide the required information and certification on employee benefits.

A.12.6 Mandatory Price Sheet – Attachment D

The Respondent shall complete the Pricing Sheet and return with Proposal in the format requested.

A.12.7 Assumptions and Exceptions

The Respondent shall clearly state any assumptions it made in its Proposal. The Respondent shall also clearly identify any exceptions it takes to specific provisions of this RFP, noting the specific RFP section number. If there are no exceptions, the Respondent shall explicitly state that the Respondent takes no exception to any part of this RFP. Any exception may result in the Contract not being awarded to the Respondent.

NOTE: The CCG, as a state agency, is prevented by the Texas Constitution from indemnifying Contractors. The Respondent is discouraged from including a term in its Proposal that requires the CCG to indemnify it. Such a term may result in the Proposal being deemed Non-Responsive.

On company letterhead or in Excel, the Respondent shall identify exceptions using the following format:

Section	Section Title	Exception	Proposed Language

A.12.8 The Conflict of Interest Disclosure

By signing the Execution of Proposal, the Respondent affirms that the execution of an agreement between Respondent and the CCG will not create a conflict of interest or cause an appearance of a conflict of interest. In its Proposal, Respondent must disclose any existing or potential conflicts of interest or possible issues that might create appearances of impropriety relative to Respondent's (and its proposed subcontractors') submission of a Proposal and possible selection as Contractor or its performance of the Contract. A description of some conflicts of interest may be found in Part B, General Instructions and Contract Terms and Conditions, Section B.1.3, but this list should not be considered exhaustive or limiting.

If the circumstances certified by Respondent change or additional information is obtained subsequent to submission of Proposals, by submitting a Proposal Respondent agrees that it is under a continuing duty to supplement its response under this provision, and Respondent shall submit updated information as soon as reasonably possible upon learning of any change to their affirmation.

A.12.9 Proposed Solutions

The Respondent shall explain how its Proposal best meets and exceeds the requirements set forth in this RFP. See Sections A.6, A.7, A.8 and A.9. CCG has provided below some insight into what should be provided. However, this should not be considered an exhaustive list. Respondents are encouraged to provide innovative value-add solutions that will help to separate themselves from their competitors. The Proposal should have specific sections devoted to these in the same listed order.

A.12.9.1 Insurance and Security

Describe your company's solutions for insurance and security and how you meet or exceed the requirements as listed in:

- Section A.6.1 Insurance Coverage
- Section A.6.2 Security of Documents and Images,
- Section A.6.3 Source Document Destruction or Return,
- Section A.6.6.6 Disaster Recovery and
- Section A.6.6.7 System's Security

Include in this discussion your company's solutions when there is a data breach or loss of data. What's the process for communication with the PA in the event it occurs?

A 12.9.2 Customer Service – Key Staff Resumes

Describe your company's solutions for Customer Service, Section A.6.4: general service call center, sales department, billing corrections, relationship management for escalation of issues, and technical representative available to PA for resolving technical problems.

As per Section A.6.4.3 include the resumes of your key people.

A.12.9.3 Training

Describe your methods for training the Participating Agencies on utilizing the services effectively. The description of training shall include but not be limited to meeting and exceeding the required training in Section A.6.4. If there are any costs for this training; it must be included on Attachment D, Price Grid Tab 1.0

A.12.9.4 Project Management Services

Describe your company's solutions for project management services and how you will meet or exceed the requirements in Section A.6.4.2.

A.12.9.5 Delivery, Technical, Quality and Imaging Services

Describe your company's abilities to meet and exceed the PA's needs across the state of Texas as per Section A.7.1.

Include in your Proposal how you meet and exceed each of the technical requirements for the points in Section A.6.6.

Description of your processes with details for quality and quality control as listed in Section A.6.7 and how you meet and exceed each of the Imaging Servicing requirements in Section A.6.8.

A.12.9.6 Reports and Performance

List and describe all of the reports that will be available either online or in hard copies and how your performance can be measured. Include samples or screen shots of reports, and other management tools as per Section A.8.3.

Include how the reports will assist the CCG and PAs in managing Contractor performance during this Contract.

A.12.9.7 Additional Services Offered

Describe the additional Digital Imaging services as per Section A.9.8 that your company provides with and without a cost to PA and how these services will benefit the PA. If the services have a cost they must be listed on Price Sheet Attachment D.

A.12.9.8 References

Provide the required information as per Section A.9.9 for five references.

A.12.9.9 Marketing Plan to Local Government

Provide a description in this section of your Proposal your solution to marketing this Contract to Local Government based on the requirements in Section A.9.10.

A.12.9.10 Financial Responsibility/Stability:

Provide information that your company meets or exceeds the requirements of Section A.9.11.

A.13 STATEMENT OF WORK ANNOUNCEMENT

A.13.1 Texas Office of the Attorney General's Statement of Work

The first opportunity for work under this RFP is the Office of the Attorney General issuing a SOW, Exhibit A to obtain a Contractor to perform Digital Imaging Services. The OAG will only consider Responses from Contractors that are that are willing and able to fulfill all aspects of the requested services under this RFP.

A.13.2 SOW Proposal

Please note that a Respondent may submit a Proposal only for the CCG Digital Imaging Services RFP but a Respondent may not submit a Proposal solely for the CSD SOW. The SOW Proposal must be accompanied by a Proposal for the CCG Contract; if it is not, the SOW Proposal will be disqualified. See Section A.9.2 for dates and time for submitting SOW questions and Proposal. The SOW Proposal submission instructions are in Section A.14.

A.13.3 SOW Assumptions and/or Exceptions

Assumptions and/or Exceptions for the SOW, Exhibit A must be submitted separately from CCG RFP Assumptions and/or Exceptions. See SOW Section 2.4.6.

A.13.4 SOW Questions and Answers

The OAG will also be present at the Proposal Conference to discuss the CSD SOW. Oral answers will not be binding on OAG. Respondents must follow instructions provided in Section 9.2 of this RFP to receive formal, binding answers to their questions. Questions may only be sent to the Point of Contact identified in Section 9.4. All questions must cite the specific RFP or SOW Section to which the question refers. The CCG will answer the questions in a Question and Answer Document posted on the ESBD.

A.13.5 SOW Award

CCG shall make the decision to award for the Digital Imaging Services Contract(s), if it is in the best interest of the State to do so. From the awarded CCG Contract(s), OAG shall make the decision to award a Contract for the OAG CSD SOW, if it is in the best interest of the State to do so. The decision of CCG or OAG on any award is final.

The Contract entered into between the OAG and the Contractor for the SOW (Exhibit A) will be overseen by a Contract Manager within the OAG. In the event of a conflict between the terms of the

CCG RFP and Exhibit A, the language of Exhibit A shall control all work performed by Contractor pursuant to the SOW.

A.14 SUBMITTING THE PROPOSALS TO THE CCG

The Proposal shall be entitled “Proposal Submitted for RFP 920-C1- Digital Imaging Services” and shall clearly state the Proposal Due Date and Time identified in the Calendar of Events, above. If you wish to submit a Proposal for OAG CSD SOW as referenced in Section A.13, submit the Proposal separately using the same date/time requirements and submission instructions below.

By Electronic Submission - Please read all instructions carefully:

Use the following e-mail address to submit your Proposal electronically:

SSCM.ebids@CPA.state.tx.us

The e-mail subject line should contain the RFP number (or SOW number) and title as indicated on the cover page. The respondent is solely responsible for ensuring that their complete electronic bid is sent to, and actually received by, CCG in a timely manner and at the proper destination server.

CCG recommends a limit on the attachments to 10MB each. This may result in the sending multiple e-mails to **SSCM.ebids@CPA.state.tx.us** for the submission of all documentation contained in a Proposal.

ALL DOCUMENTS SHOULD BE SUBMITTED IN MICROSOFT OFFICE FORMATS (WORD AND EXCEL) OR IN A FORM THAT MAY BE READ BY MICROSOFT OFFICE SOFTWARE. ANY DOCUMENTS WITH SIGNATURES SHALL BE SUBMITTED AS AN ADOBE PORTABLE DOCUMENT FORMAT (PDF) FILE. CCG IS NOT RESPONSIBLE FOR DOCUMENTS THAT CANNOT BE READ OR CONVERTED. UNREADABLE PROPOSALS MAY BE, IN CCG’S DISCRETION, REJECTED AS NONRESPONSIVE.

Note: Please be aware that your Internet Service Provider may limit file sizes on your outgoing emails, so try to avoid graphics, pictures, letterheads, etc., which consume a lot of space. These typically include *.tif/*.tiff, *.gif, & *.bmp file extensions, but may include others, as well. CCG’s firewall virus protection runs at all times, so during times of new active virus alerts, incoming traffic may be delayed while virus software scans emails with attachments.

CCG takes no responsibility for electronic bids that are captured, blocked, filtered, quarantined or otherwise prevented from reaching the proper destination server by any CCG anti-virus or other security software.

To confirm receipt of all electronic submissions, contact 512-463-7817 or request a confirmation by e-mail, david.bennett@cpa.state.tx.us.

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B.1 INTRODUCTION

B.1.1 Authority to Contract

Pursuant to the authority and responsibility provided in §§2162.102 – 2162.104 Government Code, the Council on Competitive Government is authorized to procure statewide contracts using the sealed proposal method.

Pursuant to § 2162.102(d), Government Code, statewide contracts procured by the Council on Competitive Government may additionally be used by community mental health and mental retardation centers, the Texas Legislature and related legislative agencies, and local government entities pursuant to Subchapter D, Chapter 271, Local Government Code. Local government is defined by §271.081 of the Local Government Code to include a county, municipality, special district, school district, junior college district, a local workforce development board created under Section 2308.253, Government Code, or other legally constituted political subdivision of the state.

B.1.2 Definitions

When capitalized, the following terms and acronyms have the meaning set forth below. All other terms have the meaning set forth in Merriam-Webster's Collegiate® Dictionary, Eleventh Edition.

TERM	DEFINITION
CCG	Council on Competitive Government
Contract	Any contract(s) resulting from this solicitation, consisting of the contract documentation as provided in Section B.3.4. Note: <i>There is no guarantee that any contract will result from this solicitation.</i>
Contractor / Contractors	The Respondent(s) awarded a Contract as a result of the RFP.
CPA	The Comptroller of Public Accounts
Customer / Customers	Those state and local entities, including but not limited to the CCG, that are required and permitted by law to purchase goods and services under contracts established by the CCG. This term includes the employees of these entities.
ESBD	The Electronic State Business Daily, which is available online at http://esbd.cpa.state.tx.us/ .
Gov't Code	The Texas Government Code.
Party / Parties	Either the CCG and Respondent separately or collectively.
Proposal	The response submitted by a vendor to the CCG as a result of this solicitation.
Respondent / Respondents	Any person or vendor who submits a Proposal in response to this solicitation. Unless the context clearly indicates otherwise, all terms and conditions of this

	Contract that refer to “Respondent” apply with equal force to Contractor.
RFP	Request for Proposal, which is the type of solicitation embodied in this document.
TAC	The Texas Administrative Code, which is the publication for administrative rules.

B.1.3 Conflicts of Interest

B.1.3.1 Actual and Perceived Conflicts

By submitting a Proposal, the Respondent represents and warrants that neither it nor its employees and subcontractors have an actual or potential conflict of interest in entering a Contract with the CCG. The Respondent also represents and warrants that entering a Contract with the CCG will not create the appearance of impropriety. In its Proposal, the Respondent shall disclose any existing or potential conflict of interest that it might have in contracting with the CCG. The requirement to disclose any actual or potential conflict of interest shall continue during the term of the contract, and shall survive until the end of the recordkeeping requirement in B.7.4. The CCG will decide, in its sole discretion, whether an actual or perceived conflict should result in Proposal disqualification or Contract termination.

B.1.3.2 Current and Former CCG Employees

In addition to the disclosures required above, the Respondent shall also disclose any of its personnel who are current or former officers or employees of the CCG or who are related, within the third degree by consanguinity (as defined by §573.023, Gov’t Code) or within the second degree by affinity (as defined by §573.025, Gov’t Code), to any current or former officers or employees of the CCG.

Respondents must comply with all applicable Texas and federal laws and regulations relating to the hiring of former state employees (see e.g., Texas Government Code Chapters 572 and 573). Such “revolving door” provisions generally restrict former agency heads from communicating with or appearing before the agency on certain matters for two years after leaving the agency. The revolving door provisions also restrict some former employees from representing clients on matters that the employee participated in during state service or matters that were in the employees’ official responsibility. Respondent, by signing this solicitation, certifies that it has complied with all applicable laws and regulations regarding former state employees.

Respondent must identify each employee who works for more than one staffing company at any facility and ensure that the employee’s cumulative weekly hours worked at all state facilities through any one staffing company does not exceed 40 hours per week.

B.1.4 Construction of this RFP and the Contract

B.1.4.1 Global Drafting Conventions

The terms “include,” “includes,” and “including” are terms of inclusion and, where used in this Contract, are deemed to be followed by the words “without limitation.”

Unless explicitly stated otherwise, any references to “Sections,” “Articles,” “Exhibits,” or “Attachments” are deemed to be references to the Sections, Articles, Exhibits, and Attachments to this RFP and the Contract.

B.1.4.2 Headings

The Article and Section headings in this RFP and the Contract are for reference and convenience only and may not be considered in the interpretation of this RFP or the Contract.

B.2 THE RFP PROCESS

B.2.1 Submitting Questions about the RFP

The Respondent will have until the Deadline for Submitting Questions, identified in Part A, to submit in writing all questions regarding this RFP. Questions may only be sent to the Point of Contact. All questions shall, to the highest degree possible, cite the specific RFP section to which the question refers. The CCG will, at its discretion, answer the questions in a Question and Answer Document posted on the ESBD.

Only answers provided in writing by the CCG shall be considered official. Information in any form other than the materials constituting this RFP, the Question and Answer Document, and any RFP addendum shall not be binding on the CCG.

All questions submitted to the CCG must include the identity of the sender, the sender's title, company name, mailing address, telephone number, and facsimile number or e-mail address, as applicable.

NOTE: Minor questions for which the answer will not affect the interpretation of the RFP or change the contents of a Proposal (for example, a question regarding delivery of the sealed Proposal) may be answered orally or by e-mail by the CCG.

B.2.2 Addenda to the RFP

Should an addition or correction to this RFP become necessary, an addendum relating the necessary information will be posted on the ESBD. The Respondent is responsible for periodically checking the ESBD for addenda or additional information relating to this RFP. The Respondent is required to acknowledge each addendum by returning a signed copy of the addendum with its Proposal.

B.2.3 Testing and Inspection

The CCG and Customers may test and inspect goods and services purchased under the Contract to ensure compliance with the specifications of this RFP and the Contract. The CCG may also test and inspect goods and services before they are purchased under the Contract.

Authorized CCG personnel shall have access to the Respondent's place of business for the purpose of inspecting the goods. To the extent practical, the CCG inspections will not disrupt the Respondent's daily operations. Tests shall be performed on samples submitted with the Proposal or on samples taken from regular shipments. All costs of testing and inspection shall be borne by the Respondent. In the event the goods tested fail to meet or exceed all conditions and requirements of the RFP and Contract, the goods will be rejected in whole or in part, at the State's option, and returned to the Respondent or held for disposition at the Respondent's expense. Latent defects may result in cancellation of the Contract at no expense to the state.

If material fails to meet specifications, the Respondent will be notified by fax / mail or e-mail. The Respondent will have ten (10) working days after receipt of the notification to remove the rejected

material from state property. Material will be removed at the Respondent's expense. Material not removed in the allotted time period will be disposed by the Customer. The Respondent will be charged for all disposable expenses conducted by the Customers.

B.2.4 Accuracy of the Proposal

The Respondent's Proposal shall be true and correct and shall contain no cause for claim of omission or error. Proposals may be withdrawn in writing at any time prior to the submittal deadline.

B.2.5 HUB Subcontracting Plan Requirements

It is the policy of the CCG to promote and encourage contracting and subcontracting opportunities for State of Texas certified Historically Underutilized Businesses (HUBs) in all contracts in compliance with Chapter 2161, Gov't Code. Eligible Respondents are encouraged to become HUB certified. State of Texas HUB applications may be found at:

<http://www.window.state.tx.us/procurement/prog/hub/hub-forms/>

Definitions for State of Texas HUB certifiable businesses can be found in 34 TAC Chapter 20, Subchapter B, which is available at:

[http://info.sos.state.tx.us/pls/pub/readtac\\$ext.ViewTAC?tac_view=5&ti=34&pt=1&ch=20&sch=B&rl=Y](http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=5&ti=34&pt=1&ch=20&sch=B&rl=Y)

A HUB Subcontracting Plan Form must be filled out and returned with the Proposal to be considered responsive. If the Proposal does not include a HUB Subcontracting Plan, it shall be rejected as a material failure to comply with advertised specifications.

Any probable subcontracting opportunities are identified in Part A. This list should not be considered a mandatory or an exhaustive list. Other areas of subcontracting may be more appropriate given the Respondent's business structure and internal resources. Please see the attached HUB Subcontracting Plan for further instructions which require vendors to identify the specific areas intended for subcontracting.

Search the State of Texas HUB Database for HUB vendors by the NIGP class and item at: <http://www2.cpa.state.tx.us/cmbl/hubonly.html>

Additional minority and women owned business association resources are available for subcontracting notices at: <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

Additional information and training regarding how to complete a HUB Sub-Contracting Plan can be found on the CPA Website at the following link:

<http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

B.2.6 Cost of Submitting the Proposal

The CCG will not reimburse the Respondent for any cost related to its Proposal. The Respondent is responsible for any expense related to the preparation and submission of its Proposal.

B.2.7 Public Information Act Disclosures

The CCG is a governmental body subject to the Texas Public Information Act (PIA), Chapter 552, Gov't Code, as are other potential Customers of the Contract. The Proposal and other information submitted to the CCG by the Respondent are subject to release as public information by the CCG and by any Customer that is also subject to the PIA. The Proposal and other submitted information shall be presumed to be subject to disclosure unless a specific exception to disclosure under the PIA applies. If it is necessary for the Respondent to include proprietary or otherwise confidential information in its Proposal or other submitted information, the Respondent must clearly label that proprietary or confidential information and identify the legal basis for confidentiality. Merely making a blanket claim that the entire Proposal is protected from disclosure because it contains some proprietary information is not acceptable, and shall make the entire Proposal subject to release under the PIA. In order to trigger the process of seeking an Attorney General opinion on the release of proprietary or confidential information, the specific provisions of the Proposal that are considered by the Respondent to be proprietary or confidential must be clearly labeled as described above. Any information which is not clearly identified by the Respondent as proprietary or confidential shall be deemed to be subject to disclosure pursuant to the PIA and the Respondent shall thereby be irrevocably deemed to have waived, and Respondent agrees to fully indemnify the State of Texas, CCG, and any Customer subject to the PIA from, any claim of infringement by CCG and any Customer subject to the PIA regarding the intellectual property rights of Respondent or any third party for any materials appearing in the Proposal.

Contractor is required to make any information created or exchanged with a state governmental entity (as defined by §2252.907(d), Gov't Code) pursuant to this Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in at least one of the following formats that is accessible by the public at no additional charge to the State of Texas, CCG, or Customers: portable document format (pdf) compatible with the latest version of Adobe Acrobat®; Microsoft Word®; Microsoft Excel®; or, hard copy (paper).

B.2.8 Irrevocability of the Proposal

The Proposal is irrevocable for one hundred twenty (120) calendar days following the Proposal Opening Date and Time identified in Part A. This period may be extended at the CCG's request with the Respondent's written agreement.

B.3 CONTRACT INFORMATION

B.3.1 Amending the Contract

Any alterations, additions, or deletions in the Contract or any terms and conditions of the Contract shall be by written amendment executed by both Parties and put into effect with a Contract Amendment issued by the CCG. The Respondent shall not be entitled to payment for any additional services, work, or products that are not authorized by a properly executed Contract amendment.

B.3.2 Order of Precedence

In the event of any conflict or contradiction between or among these documents, the Notice of Award, as modified by any Contract Amendments, shall control over the RFP and the Proposal. The RFP, as modified by any Addenda, shall control over the Proposal.

B.3.3 Terminating the Contract

B.3.3.1 Convenience of the State of Texas

The CCG reserves the right to terminate the Contract at any time, in whole or in part, without cost or penalty, by providing 30 calendar days' advance written notice, if the CCG determines that such termination is in the best interest of the state. In the event of such a termination, the Respondent shall, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. Customers shall be liable for payments for any goods or services ordered from the Respondent before the termination date.

B.3.3.2 Cause/Default

If the Respondent fails to provide the goods or services contracted for according to the provisions of the Contract, or fails to comply with any of the terms or conditions of the Contract, the CCG may, upon written notice of default to the Respondent, immediately terminate all or any part of the Contract. Termination is not an exclusive remedy, but will be in addition to any other rights and remedies provided in equity, by law or under the Contract.

The CCG may exercise any other right, remedy or privilege which may be available to it under applicable law of the state and any other applicable law or may proceed by appropriate court action to enforce the provisions of the Contract, or to recover damages for the breach of any agreement being derived from the Contract. The exercise of any of the foregoing remedies will not constitute a termination of the Contract unless the CCG notifies the Respondent in writing prior to the exercise of such remedy. The Respondent shall remain liable for all covenants and indemnities under the Contract. The Respondent shall be liable for all costs and expenses, including court costs, incurred by the CCG with respect to the enforcement of any of the remedies listed herein.

B.3.3.3 Change in Federal or State Requirements

If federal or state laws or regulations or other federal or state requirements are amended or judicially interpreted so that either the CCG or the Respondent cannot reasonably fulfill the Contract and if the Parties can not agree to an amendment that would enable substantial continuation of the Contract, the Parties shall be discharged from any further obligations under the Contract.

B.3.3.4 TCPDP Purchasing Preference

Pursuant to Texas Human Resources Code Chapter 122, state agencies shall purchase products and services meeting the agency's specifications offered by a Community Rehabilitation Program (CRP) certified by the Texas Council on Purchasing from People with Disabilities (TCPDP), or its Central Nonprofit Agency, Texas Industries for the Blind and Handicapped (TIBH). Should any item(s) awarded under any contract pursuant to this RFP become available from a CRP through TIBH or TCPDP during the term of the contract, the state may cease all use of the awarded contract immediately upon the availability of such product or service, and may terminate the contract for some or all of such products or services awarded.

B.3.3.5 Rights upon Termination or Expiration of Contract

In the event that the Contract is terminated for any reason, or upon its expiration, the CCG and the Customers shall retain ownership of all associated work products and documentation obtained from the Respondent under the Contract.

B.3.3.6 Survival of Terms

Termination of the Contract for any reason shall not release the Respondent from any liability or obligation set forth in the Contract that is expressly stated to survive any such termination or by its nature would be intended to be applicable following any such termination, including the provisions regarding confidentiality, indemnification, transition, records, audit, property rights, dispute resolution, and invoice and fees verification.

B.3.4 Contract Documentation

The Contract will consist of the Notice of Award, Listing of Awarded Items, and any Contract Amendments thereto issued by the CCG; this RFP, together with any modifications made through Addenda thereto; and the successful Proposal, together with any clarifications thereto that are submitted at the request of the CCG.

B.4 CONTRACT MANAGEMENT

B.4.1 Contract Managers

B.4.1.1 The CCG Contract Manager

The CCG Contract Manager has the authority to:

- sign Controlled Correspondence
- serve as the day-to-day point of contact
- coordinate quality control reviews
- approve invoices
- coordinate meetings with the Respondent
- investigate complaints
- receive requests for substitutions or changes in goods or services awarded under the Contract
- initiate contract amendments
- accept, deny or negotiate pricing changes

B.4.1.2 The Respondent's Contract Manager

The Respondent shall identify its Contract Manager to the CCG in writing within 10 days of the issuance of the Purchase Order. Changes to the Respondent's Contract Manager shall hereafter be documented by the Respondent through Controlled Correspondence. The Respondent's Contract Manager has the authority to:

- make decisions regarding the deliverables required by the Contract
- sign Controlled Correspondence
- serve as the day-to-day point of contact
- coordinate quality control reviews
- coordinate meetings with the CCG

- investigate complaints

B.4.2 Controlled Correspondence

In order to track and document requests for decisions and/or information pertaining to the Contract, and the subsequent response to those requests, the CCG and the Respondent shall use Controlled Correspondence. The CCG shall manage the Controlled Correspondence for the Contract. For each Controlled Correspondence document, the CCG shall assign a tracking number and the document shall be signed by the appropriate Party's Contract Manager.

Controlled Correspondence shall not be used to change pricing or alter the terms of the Contract. Controlled Correspondence shall not be the basis of a claim for equitable adjustment of pricing. Any changes that involve the pricing or the terms of the Contract must be by a properly executed Contract amendment. However, the Controlled Correspondence process may be used to document refinements and interpretations of the provisions of the Contract, to document the cost impacts of proposed changes, and to document CCG-approved changes to the Respondent's HUB subcontracting plan.

Controlled Correspondence documents shall be maintained by both Parties in on-going logs and shall become part of the normal status reporting process. Any communication not generated in accordance with such process shall not be binding upon the Parties and shall be of no effect.

B.4.3 Notices and Liaisons

B.4.3.1 Delivery of Written Notices

Any notice required or permitted to be given under the Contract by one Party to the other Party shall be in writing and shall be addressed to the receiving Party at the address hereinafter specified. The notice shall be deemed to have been given immediately if delivered in person to the recipient's address hereinafter specified. It shall be deemed to have been given on the date of certified receipt, if placed in the United States mail, postage prepaid, by registered or certified mail with return receipt requested, addressed to the receiving Party at the address hereinafter specified.

B.4.3.2 Notice to the Respondent

Within 10 days of the issuance of the Notice of Award, the Respondent shall identify in writing to the CCG the address and contact person for all notices. If there is any change to this information during the term of the contract, the Respondent shall notify the CCG by Controlled Correspondence.

B.4.3.3 Notice to the CCG

The CCG's address for all purposes under this Contract:

Director, Strategic Sourcing and CCG
Comptroller of Public Accounts
P. O. Box 13186 (physical address: 1711 San Jacinto Blvd)
Austin, Texas 78711-3186 (physical: 78701)

With copies to (registered or certified mail with return receipt is not required for copies):

Deputy General Counsel for CCG

Comptroller of Public Accounts
P. O. Box 13186 (physical address: 1711 San Jacinto Blvd)
Austin, Texas 78711-3186 (physical: 78701)

B.4.4 Subcontracting Approval

The Respondent shall perform the Contract with its own resources and those subcontractors identified in the Respondent's HUB Subcontracting Plan. In the event that the Respondent should determine that it is necessary or expedient to execute additional or alternative subcontracts for any of the performances under the Contract, the Respondent shall submit a revised HUB Subcontracting Plan for prior approval before executing any subcontracts. The Respondent shall also transmit to the CCG for review and prior CCG approval a true copy of the subcontract it proposes to execute with a subcontractor.

The Respondent, in subcontracting for any performances specified herein, expressly understands and acknowledges that in entering into such subcontract(s), the CCG is in no manner liable to any subcontractor(s) of the Respondent. In no event shall this provision relieve the Respondent of the responsibility for ensuring that the performances rendered under all subcontracts are rendered so as to comply with all terms of this RFP and Contract. The Respondent shall manage all quality and performance, project management, and schedules for subcontractors. The Respondent shall be held solely responsible and accountable for the completion of all work for which the Respondent has subcontracted.

B.4.5 No Implied Authority

Any authority delegated to the Respondent by the CCG is limited to the terms of the Contract. The Respondent shall not rely upon implied authority and specifically is not delegated authority under the Contract to: (1) make public policy; (2) promulgate, amend, or disregard CCG program policy; or (3) unilaterally communicate or negotiate, on behalf of the CCG, with any member of the U.S. Congress or any member of their staff, any member of the Texas Legislature or any member of their staff, or any federal or state agency.

B.4.6 Cooperation with the CCG

The Respondent must ensure that it cooperates with the CCG and other state or federal administrative agencies, at no charge to the CCG, for purposes relating to the administration of the Contract. The Respondent agrees to reasonably cooperate with and work with the CCG's contractors, subcontractors, and third party representatives as requested by the CCG.

B.4.7 Dispute Resolution

Disputes under this agreement are subject to Chapter 2260, Texas Government Code. Set forth below are terms and conditions for dispute resolution relating to claims involving Contractor and CCG. Except as otherwise provided by law or applicable rules, the same terms and conditions in this section shall apply to claims involving Contractor and any other Customer subject to Chapter 2260, Texas Government Code, substituting such other Customer for "CCG" when referenced below in this section.

The dispute resolution process provided for in Texas Government Code, Chapter 2260 and applicable CPA rules shall be used by CCG and Contractor to resolve any dispute arising under the Contract.

The dispute resolution process provided for in Chapter 2260 shall be used, as further described herein, to attempt to resolve any claim for breach of contract asserted by the Respondent under the Contract. If the Respondent's claim for breach of Contract cannot be resolved by the Parties in the ordinary course of business, it shall be submitted to the negotiation process provided in Chapter 2260. To initiate the process, the Respondent shall submit written notice, as required by Chapter 2260, to the Director of CCG or his or her designee. The notice shall also be given to the individual identified in the Contract for receipt of notices. Compliance by the Respondent with Chapter 2260 is a condition precedent to the filing of a contested case proceeding under Chapter 2260.

The contested case process provided in Chapter 2260 is the Respondent's sole and exclusive process for seeking a remedy for an alleged breach of Contract by the CCG if the Parties are unable to resolve their disputes as described above.

Compliance with the contested case process provided in Chapter 2260 is a condition precedent to seeking consent to sue from the Legislature under Chapter 107, Civil Practices and Remedies Code. Neither the execution of the Contract by the CCG nor any other conduct of any representative of the CCG relating to the Contract shall be considered a waiver of sovereign immunity to suit.

For all other specific breach of contract claims or disputes under the Contract, the CCG and the Respondent shall first attempt to resolve them through direct discussions in a spirit of mutual cooperation. If the Parties' attempts to resolve their disagreements through negotiations fail, the dispute will be mediated by a mutually acceptable third party to be chosen by the CCG and the Respondent within fifteen (15) days after written notice by one of them demanding mediation under this Section. The Respondent shall pay all costs of the mediation unless the CCG, in its sole good faith discretion, approves its payment of all or part of such costs. By mutual agreement, the CCG and the Respondent may use a non-binding form of dispute resolution other than mediation. The purpose of this Section is to reasonably ensure that the CCG and the Respondent shall, in good faith, utilize mediation or another non-binding dispute resolution process before pursuing litigation. The CCG's participation in, or the results of, any mediation or other non-binding dispute resolution process under this Section or the provisions of this Section shall not be construed as a waiver by the CCG of (1) any rights, privileges, defenses, remedies or immunities available to the CCG as an agency of the State of Texas or otherwise available to the CCG; (2) the CCG's termination rights; or (3) other termination provisions or expiration dates of the Contract.

Notwithstanding any other provision of the Contract to the contrary, unless otherwise requested or approved in writing by the CCG, the Respondent shall continue performance and shall not be excused from performance during the period any breach of contract claim or dispute is pending under either of the above processes; however, the Respondent may suspend performance during the pendency of such claim or dispute if the Respondent has complied with all provisions of §2251.051, Gov't Code, and such suspension of performance is expressly applicable and authorized under that law.

B.4.8 Fraud, Waste, and Abuse

By submitting a Proposal to the RFP, the Respondent represents and warrants that it has read and understood and shall comply with CPA's Anti-Fraud Policy, found at: <http://www.window.state.tx.us/ssv/ethics.html>, as such Policy currently reads and as it is amended throughout the term of the Contract.

B.4.9 Renegotiation of Price

The CCG shall monitor market prices and prices paid by other states for substantially similar goods and services during the term of the Contract. If the CCG determines that substantially similar goods and services are selling for meaningfully lower prices than the prices established in the Contract, the CCG may initiate price renegotiations with the Respondent and amend the Contract to reflect a new, lower price, if agreed to by the Parties.

B.4.10 Name Changes and Sales

If the Respondent changes its name or is sold to another entity, it must notify the CCG through Controlled Correspondence. The Respondent, in its notice, shall describe the circumstances of the name change or sale, state its new name, provide the new Tax Identification Number, and describe how the change will impact its ability to perform the Contract. If the change entails personnel changes for personnel performing the responsibilities of the Contract for the Respondent, the Respondent shall identify the new personnel and provide resumes to the CCG, if resumes were originally required by the RFP. The CCG may request other information about the change and its impact on the Contract and the Respondent shall supply the requested information within five (5) working days of receipt of the request.

The CCG may terminate the Contract due to a sale of or change to the Respondent that materially alters the Respondent's ability to perform under the Contract. The CCG has the sole discretion to determine if termination is appropriate.

B.4.11 News Releases

The CCG does not endorse any vendor, commodity, or service. News releases pertaining to this transaction and/or advertisements, publications, declarations and any other pronouncements by the Respondent using any means or media mentioning the State of Texas or the CCG or a Customer must be approved in writing by the State of Texas, CCG, or the Customer, as applicable, prior to public dissemination. Respondent may not send out unsolicited electronic mail or facsimile transmissions to CCG and/or Customer without prior written approval of the CCG Contract Manager, regardless of whether the proposed communication specifically references the awarded contract.

B.5 FINANCIAL INFORMATION

B.5.1 Appropriations

All obligations of the CCG and Customers are subject to the availability of legislative appropriations and, for Customers expending federal funds, to the availability of the federal funds applicable to the Contract. The Respondent acknowledges that the ability of the CCG and the Customers to make

payments under the Contract is contingent upon the continued availability of funds. The Respondent further acknowledges that funds may not be specifically appropriated for the Contract and the CCG's or Customers' continual ability to make payments under the Contract is contingent upon the funding levels appropriated for each particular appropriation period. The CCG and the Customers will use all reasonable efforts to ensure that such funds are available. The Respondent agrees that if future levels of funding for the CCG or a Customer are not sufficient to continue operations without any operational reductions, the CCG, in its discretion, may terminate the Contract, either in whole or in part, or the Customer, in its discretion, may terminate a pending order under the Contract, either in whole or in part. In the event of such termination, the CCG or the Customer will not be considered to be in default or breach under the Contract, nor shall it be liable for any further payments ordinarily due under the Contract, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination. The CCG and the Customer shall make best efforts to provide reasonable written advance notice to the Respondent of any such Contract or order termination. In the event of such a termination, the Respondent shall, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination, either on that particular order if an order is being terminated, or the Contract, if the Contract is being terminated. The CCG or the Customer shall be liable for payments limited only to the portion of work the CCG or the Customer authorized in writing and which the Respondent has completed, delivered to the CCG or Customer, and which has been accepted by the CCG or Customer. All such work shall have been completed, per the Contract requirements, prior to the effective date of termination.

B.5.2 Audit Requirements

Pursuant to §2262.003, Gov't Code, the State Auditor's Office, or successor agency, may conduct an audit or investigation of the Respondent or any other entity or person receiving funds from the state directly under the Contract or indirectly through a subcontract under the Contract. The acceptance of funds by the Respondent or any other entity or person directly under the Contract or indirectly through a subcontract under the Contract acts as acceptance of the authority of the State Auditor's Office, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, the Respondent or other entity that is the subject of an audit or investigation must provide the State Auditor's Office with access to any information the State Auditor's Office considers relevant to the investigation or audit. The Contract may be amended unilaterally by the CCG to comply with any rules and procedures of the State Auditor's Office in the implementation and enforcement of §2262.003. **The Respondent shall ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through the Respondent and the requirement to cooperate is included in any subcontract it awards.**

Customers who order under the Contract using federal or grant funds may have additional audit requirements that are required by law or regulation. Those additional requirements will be included on the purchase order for that particular order.

B.5.3 Invoicing and Payment Requirements

In order to receive payment under the Contract, the Respondent must submit an original invoice to the Customer placing the order, which will be designated in the purchase order as the "Bill To" address. To be a proper invoice that may be accepted and paid, the invoice must include the following information and/or attachments:

- (1) Name and address of the Respondent.
- (2) The Respondent's Texas Identification Number (TIN).
- (3) The Respondent's invoice remittance address.
- (4) The purchase order number authorizing the delivery of products or services.
- (5) A description of what the Respondent delivered, including, as applicable, the time period, serial number, unit price, quantity, and total price of the products and services. If the invoice is for a lease, the Respondent must also include the payment number (e.g., 1 of 36).

If an authorized dealer has fulfilled the purchase order, then the dealer's information should be supplied in lieu of the Respondent's information.

If an invoice does not meet this Section's requirements, the state will send the Respondent written notice with the improper invoice within 21 calendar days after receipt of the invoice. The notice will contain a description of the defect or impropriety and any additional information the Respondent needs to correct the invoice.

NOTE: For purposes of this Section and Sections B.5.4 and B.5.5, the CCG shall only be receiving and paying invoices when the CCG has placed an order with the Respondent for CCG needs. Otherwise, the orders will be for the Customers, as defined in Section B.1.2.

B.5.4 Disputed Invoices

This section applies only to Customers to which the relevant provisions of Texas Government Code Chapter 2251 applies and only as provided by the relevant provisions of Texas Government Code Chapter 2251.

As stated above, the Respondent will receive notice of an error in an invoice submitted for payment by not later than the 21st day after the date the invoice was received by the state. If an invoice dispute is resolved in favor of the Respondent, the Respondent is entitled to receive interest on the unpaid balance of the invoice, beginning on the date the invoice became overdue, pursuant to §2251.021, Gov't Code. If a dispute is resolved in favor of the CCG or a Customer, the Respondent shall submit a corrected invoice that must be paid in accordance with §2251.021. The unpaid balance accrues interest if the corrected invoice is not paid by the appropriate date.

B.5.5 Time and Manner of Payment

This section applies only to Customers to which the relevant provisions of Texas Government Code Chapter 2251 applies and only as provided by the relevant provisions of Texas Government Code Chapter 2251.

Pursuant to Texas Government Code Chapter 2251, Payment by the CCG or a state entity Customer is overdue on the 31st day after the later of: (1) the date the CCG or Customer receives the goods under the Contract; (2) the date the performance of the service under the contract is completed; or (3) the date the CCG or Customer receives the invoice for the goods or service.

Payment by a political subdivision Customer whose governing body meets only once a month or less frequently is overdue on the 46th day after the later event of: (1) the date the Customer receives the goods under the Contract; (2) the date the performance of the service under the contract is completed; or (3) the date the Customer receives the invoice for the goods or service.

B.5.6 Antitrust and Assignment of Claims

Contractor represents and warrants that neither Contractor nor any firm, corporation, partnership, or institution represented by Contractor, or anyone acting for such firm, corporation or institution has (1) violated the antitrust laws of the State of Texas under Tex. Bus. & Com. Code, Chapter 15, or the federal antitrust laws; or (2) communicated directly or indirectly the Proposal to any competitor or any other person engaged in such line of business during the procurement process for this Contract.

The Respondent hereby assigns to the State of Texas all of Respondent's rights, title and interest in and to all claims and causes of action Respondent may have under the antitrust laws of Texas or the United States for overcharges associated with the Contract.

B.5.7 Debts and Delinquencies

The Texas Comptroller of Public Accounts is prohibited from issuing any payment to a person or entity that has been reported as having an indebtedness or delinquency to the state. Contractor agrees that, to the extent Contractor owes any debt or delinquent taxes to the State of Texas, any payments or other amounts Contractor is otherwise owed under this Contract shall be applied toward the debt or delinquent taxes until the debt or delinquent taxes are paid in full. Contractor agrees to comply with all applicable laws regarding satisfaction of debts or delinquencies to the State of Texas.

B.5.8 Liability for and Payment of Taxes

The CCG and certain Customers are exempt from State Sales tax and Federal Excise tax. Customers will furnish Tax Exemption Certificate(s) to the Respondent upon request. The Respondent shall pay all taxes resulting from the RFP and Contract including but not limited to any federal, state or local income, sales, excise or property taxes. The CCG and the Customers shall not be liable to reimburse the Respondent for the payment of such taxes incurred by the Respondent in acquiring any goods or services as a part of any work called for in this RFP and the Respondent's invoice shall not include any amount for such taxes, as long as the Customer has provided the requested Tax Exemption Certificates.

B.5.9 Method of Purchase and Vesting Ownership

All goods or services purchased pursuant to the Contract shall be purchased using an outright purchase. Upon installation, acceptance, and payment, the Customer shall receive title to any personal property delivered pursuant to the purchase, except as otherwise agreed to in the Contract.

B.5.10 No Debt Against the State

The Contract shall not be construed as creating any debt by or on behalf of the State of Texas.

B.5.11 Refunds

If the CCG determines that it or a Customer has overpaid the Respondent under the Contract, the Respondent shall refund that amount to the CCG or Customer, depending on the entity that overpaid. The CCG or Customer may offset and deduct the amount of the overpayment from any amount owing, as a reimbursement, but unpaid to the Respondent. The Respondent shall refund any overpayment within 30 calendar days of receipt of the notice of the overpayment.

If any reimbursement, or a portion of a reimbursement, is disallowed as a result of an audit finding that the Respondent failed to follow the requirements for the Contract, then the Respondent agrees that the CCG or Customer may recoup the disallowed amount from funds payable under the Contract, to the extent the disallowed amount was incurred by the CCG or Customer. If an audit identifies a disallowed amount after the expiration date of the Contract, the CCG or Customer shall send the Respondent notice of the audit results and specifically identify the amount that must be refunded by the Respondent. The Respondent shall refund the disallowed amount within 30 calendar days of receipt of the notice.

B.5.12 Travel

Any travel or per diem required by the Respondent to perform its obligations under the Contract will be at the Respondent's expense. All travel and per diem that the state requests in addition to what the Contract requires the Respondent to provide at the Respondent's expense will be paid in accordance with State of Texas Travel Allowance Guide.

B.5.13 Direct Deposit

The Texas Comptroller of Public Accounts encourages Contractors to receive payment by electronic means as provided by CPA.

B.6 CONFIDENTIALITY AND SECURITY

Any information the Respondent receives, compiles, or creates as a result of the Contract must be maintained and protected in accordance with any federal, state, or local laws and regulations that apply. The Respondent shall establish a method to secure the confidentiality of records and other information relating to Customers in accordance with applicable federal and state laws, rules, and regulations.

The obligations of the Contractor under this Confidentiality and Security section shall survive this Contract and shall be included in all subcontracts.

B.7 TERMS AND CONDITIONS

B.7.1 Affirmations

Submitting a Proposal with a false statement is a material breach of contract and shall void the Proposal or the Contract, and the Respondent shall be removed from all bid lists. By signature thereon affixed, the Respondent thereby certifies that:

B.7.1.1 The Respondent has not given, offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with the submitted response. Violation of this requirement may result in the termination of the Contract at the discretion of the CCG.

B.7.1.2 The Respondent waives any claim against and releases from liability the CCG, its officers, employees, agents, and attorneys with respect to disclosure of information provided under or in

this Contract or otherwise created, assembled, maintained, or held by the Respondent and determined by the Attorney General or a court of law to be subject to disclosure under the Texas Public Information Act.

B.7.1.3 The Respondent shall promptly notify the CCG in the event that any representations and warranties provided in this Contract are no longer true and correct. The Respondent acknowledges that all of its representations and warranties contained in any part of its Proposal and this Contract are material and have been relied upon by the CCG in selecting the Respondent for the award of the Contract. Further, the Respondent warrants and represents that all of its statements and representations made to the CCG prior to being awarded the Contract, and those made during the negotiation of this Contract, are material, true and correct.

B.7.2 Civil Rights

The Respondent agrees that no person shall, on the ground of race, color, religion, sex, national origin, age, disability, political affiliation, or religious belief, be excluded from the participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of, or in connection with, any program or activity funded in whole or in part with funds available under this Contract. The Respondent shall comply with Executive Order 11246, "Equal Employment Opportunity," as amended by Executive Order 11375, "Amending Executive Order 11246 relating to Equal Employment Opportunity," and as supplemented by regulations at 41 C.F.R. Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity Department of Labor."

B.7.3 Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion

CCG is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing - Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it via cross-referencing respondents/vendors with the Federal General Services Administration's System for Award Management (SAM), <https://www.sam.gov>, which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list.

Respondent certifies that the responding entity and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and the Respondent is in compliance with the State of Texas statutes and rules relating to procurement and that Respondent is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <https://www.sam.gov>.

B.7.4 Records Retention

The Respondent shall retain all financial records, supporting documents, statistical records, and any other records or books relating to the performances called for in the Contract. The Respondent shall retain all such records for a period of four (4) years after the expiration of the Contract, or until the CCG or State Auditor's Office is satisfied that all audit and litigation matters are resolved, whichever period is longer. The Respondent shall grant access to all books, records and documents pertinent to the Contract to the CCG, the State Auditor of Texas, and any federal governmental entity that has authority to review records due to federal funds being spent under the Contract.

B.7.5 Environmental Protection

The Respondent shall be in compliance with all applicable standards, orders, or regulations issued pursuant to the mandates of the Clean Air Act (42 U.S.C. §7401 *et seq.*) and the Federal Water Pollution Control Act, as amended, (33 U.S.C. §1251 *et seq.*).

B.7.6 Prohibition on Lobbying

The Respondent shall comply with the provisions of a federal law known generally as the Lobbying Disclosure Act, 2 U.S.C. §1601 *et seq.* By submitting a Proposal, the Respondent certifies that it shall not and has not used federally appropriated funds to pay any person or organization for influencing or attempting to influence any officer or employee of any federal agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. §1352. It also certifies that the Respondent shall disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award by completing and submitting Standard Form LLL.

B.7.7 Copyrights and Publications

The Respondent understands and agrees that, where activities supported by the Contract produce original books, manuals, films, or other original material (hereinafter referred to as “the works”), the Respondent may copyright the works subject to the reservation by the CCG and affected Customers of a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for state and/or political subdivision purposes:

- the copyright in the works developed under the Contract, and
- any rights of copyright to which the Respondent purchases ownership with funding from the Contract.

The Respondent may publish, at its expense, the results of Contract performance with prior CCG review and approval of that publication. Any publication (written, visual, or sound) shall include acknowledgment of the support received from the CCG and Customers. One (1) copy of any such publication must be provided to the CCG. The CCG reserves the right to require additional copies before or after the initial review. All copies shall be provided free of charge to the CCG.

B.7.8 Certifications

B.7.8.1 Child Support Obligations

Under §231.006, Texas Family Code, (relating to child support) the Respondent, by submitting its Proposal, certifies that it is not ineligible to receive a payments under the Contract and acknowledges that the Contract may be terminated and payment may be withheld if this certification is inaccurate.

B.7.8.2 Texas Corporate Franchise Tax Certification

The Respondent, by submitting its Proposal, certifies that its Corporate Texas Franchise Tax payments are current, or that it is exempt from or not subject to such tax.

B.7.8.3 Certification Concerning Dealings with Public Servants

The Respondent, by submitting its Proposal, certifies that it has not given and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this transaction.

B.7.8.4 Certification Concerning Financial Participation

Under Section 2155.004, Government Code, the vendor [Respondent] certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate. Section 2155.004 prohibits a person or entity from receiving a state contract if that person or entity received compensation for participating in preparing the solicitation or specifications for the Contract.

B.7.8.5 Certification Concerning Hurricane Relief

A state agency may not accept a bid or award a contract, including a contract for which purchasing authority is delegated to a state agency, that includes proposed financial participation by a person who, during the five year period preceding the date of the bid or award, has been: (1) convicted of violating a federal law in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, as defined by Section 39.459, Utilities Code, Hurricane Katrina, or any other disaster occurring after September 24, 2005; or (2) assessed a penalty in a federal civil or administrative enforcement action in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, as defined by Section 39.459, Utilities Code, Hurricane Katrina, or any other disaster occurring after September 24, 2005.

Under Section 2261.053, Government Code, the Contractor [Respondent] certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

Under Section 2155.006, Government Code, the vendor [Respondent] certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

B.7.9 Independent Contractor

The Contract shall not render the Respondent an employee, officer, or agent of the CCG for any purpose. The Respondent is and shall remain an independent contractor in relationship to the CCG. The CCG shall not be responsible for withholding taxes from payments made under the Contract. The Respondent shall have no claim against the CCG for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind.

B.7.10 No Assignment by Contractor

The Respondent shall not assign its rights under the Contract or delegate the performance of its duties under the Contract without prior written approval from the CCG.

B.7.11 Indemnification and Liability

Acts or Omissions

Contractor shall indemnify and hold harmless the State of Texas, CCG, and Customers, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES arising out of, or resulting from any acts or omissions of the Contractor or its agents, employees, subcontractors, order fulfillers, or suppliers of subcontractors in the execution or performance of the Contract and any Purchase Orders issued under the Contract. THE DEFENSE SHALL BE COORDINATED BY CONTRACTOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND CONTRACTOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. CONTRACTOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

Infringements

a) Contractor shall indemnify and hold harmless the State of Texas, CCG, and Customers, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES from any and all third party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in connection with the PERFORMANCES OR ACTIONS OF CONTRACTOR PURSUANT TO THIS CONTRACT. CONTRACTOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. CONTRACTOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY CONTRACTOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND CONTRACTOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL.

b) Contractor shall have no liability under this section if the alleged infringement is caused in whole or in part by: (i) use of the product or service for a purpose or in a manner for which the product or service was not designed, (ii) any modification made to the product without Contractor's written approval, (iii) any modifications made to the product by the Contractor pursuant to Customer's specific instructions, (iv) any intellectual property right owned by or licensed to Customer, or (v) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement. c) If Contractor becomes aware of an actual or potential claim, or Customer provides Contractor with notice of an actual or potential claim, Contractor may (or in the case of an injunction against Customer, shall), at Contractor's sole option and expense; (i) procure for the Customer the right to continue to use the affected portion of the product or service, or (ii) modify or replace the affected portion of the product or service with functionally equivalent or superior product or service so that Customer's use is non-infringing.

Taxes/Workers' Compensation/Unemployment Insurance – Including Indemnity

1) CONTRACTOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, CONTRACTOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF CONTRACTOR'S AND CONTRACTOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. CONTRACTOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THE STATE OF TEXAS, CCG, AND/OR THE CUSTOMER SHALL NOT BE LIABLE TO THE CONTRACTOR, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.

2) CONTRACTOR AGREES TO INDEMNIFY AND HOLD HARMLESS THE STATE OF TEXAS, CCG, CUSTOMERS, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS CONTRACT. CONTRACTOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY CONTRACTOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND CONTRACTOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. CONTRACTOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

B.7.12 Respondent Liability for Damage to Government Property

The Respondent shall be liable for all damages to government-owned, leased, or occupied property and equipment caused by the Respondent and its employees, agents, subcontractors, and suppliers, including any delivery or cartage company, in connection with any performance pursuant to the Contract. The Respondent shall notify the CCG Contract Manager in writing of any such damage within one (1) calendar day.

B.7.13 Force Majeure

The CCG, any Customer, and the Respondent shall not be responsible for delays in performance under the Contract should it be prevented from performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributable to the fault or negligence of the CCG, Customer or the Respondent.

In the event of an occurrence under this Section, the CCG, Customer or Respondent (parties) will be excused from any further performance or observance of the requirements so affected for as long as such circumstances prevail and the party continues to use commercially reasonable efforts to

recommence performance or observance whenever and to whatever extent possible without delay. The party shall immediately notify the other party by telephone (to be confirmed in writing within five (5) calendar days of the inception of such occurrence) and describe at a reasonable level of detail the circumstances causing the non-performance or delay in performance.

B.7.14 Buy Texas

In accordance with §2155.4441, Gov't Code, the Respondent shall, in performing any services under the Contract, purchase products and materials produced in Texas when they are available at a comparable price and in a comparable period of time to products and materials produced outside Texas.

B.7.15 Miscellaneous Terms and Conditions

B.7.15.1 Permits

The Respondent shall be responsible, at the Respondent's expense, for obtaining any and all permits or licenses required by city, county, state, or federal rules, regulations, law, or codes that pertain to the Contract.

B.7.15.2 Electrical Items

All electrical items provided by the Respondent to the CCG or a Customer under the Contract must meet all applicable OSHA standards and regulations, and bear the appropriate listing from UL, FMRC, or NEMA.

B.7.15.3 Executive Head

Pursuant to §669.003, Gov't Code, the CCG may not enter into a contract with a person who employs a current or former Executive Head of a state agency until four years have passed since that person was the executive head of the state agency. Bidder certifies that they are in compliance with Texas Government Code, Title 6, Subtitle B, Section 669.003 of the Government Code, relating to contracting with executive head of a state agency. By submitting a Proposal, the Respondent certifies that it does not employ any person who was the Executive Head of a state agency in the past four years.

B.7.15.4 Terminated Contracts

By submitting a Proposal, the Respondent certifies that it has not had a contract terminated or been denied the renewal of any contract for non-compliance with policies or regulations of any state or federally funded program within the past five (5) years nor is it currently prohibited from contracting with a governmental agency. If the Respondent does have such a terminated contract, the Respondent shall identify each and provide an explanation for the termination.

B.7.16 Non-Waiver of Rights

Failure of a Party to require performance by another Party under the Contract will not affect the right of such Party to require performance in the future. No delay, failure, or waiver of either Party's exercise or partial exercise of any right or remedy under the Contract shall operate to limit, impair, preclude, cancel, waive or otherwise affect such right or remedy. A waiver by a Party of any breach of any term of the Contract will not be construed as a waiver of any continuing or succeeding breach.

The terms and conditions set forth in this section apply with equal force as to Contractor and Customers.

B.7.17 No Waiver

The Parties expressly agree that no provision of the Contract is in any way intended to constitute a waiver by the CCG or the State of Texas or any Customer of any immunities from suit or from liability that the CCG or the State of Texas or any Customer may have by operation of law.

Nothing in this Contract shall be construed as a waiver of the sovereign immunity of the State of Texas, CCG, or Customers. This Contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the State of Texas, CCG, or Customers. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to the State of Texas, CCG, or Customers under this Contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. CCG does not waive any privileges, rights, defenses, or immunities available to CCG by entering into this Contract or by its conduct prior to or subsequent to entering into this Contract.

B.7.18 Severability

In the event that any provision of this Contract is determined to be invalid, void, or unenforceable, then the remaining terms, provisions, covenants, and conditions of this Contract shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated.

B.7.19 Applicable Law and Venue

The Respondent agrees that the Contract in all respects shall be governed by and construed in accordance with the laws of the State of Texas, except for its provisions regarding conflicts of laws. The Respondent also agrees that the exclusive venue and jurisdiction of any legal action or suit concerning the CCG under this Contract is, and that any such legal action or suit shall be brought, in a court of competent jurisdiction in Travis County, Texas.

B.7.20 Compliance with Laws; Dealing with Public Servants

The Respondent must comply with all applicable laws at all times, including, without limitation, the following: (i) §36.02 of the Texas Penal Code, which prohibits bribery; (ii) §36.09 of the Texas Penal Code, which prohibits the offering or conferring of benefits to public servants; (iii) §2155.003, Gov't Code, which prohibits any employee of the CCG from having an interest in, or in any manner be connected with, a contract or bid for a purchase of goods or services by an agency of the state or accept from any person to whom a contract has been awarded anything of value or a promise, obligation, or contract for future reward or compensation.

The Respondent shall give all notices and comply with all laws and regulations applicable to furnishing and performance of the Contract. Except where otherwise expressly required by applicable laws and regulations, CCG shall not be responsible for monitoring Respondent's compliance with any laws or regulations. If Respondent performs any work knowing or having reason to know that it is contrary to laws or regulations, Respondent shall bear all claims, costs, losses and damages caused by, arising out of or resulting therefrom.

B.7.21 Insurance and Other Security

The Respondent represents and warrants that it will obtain and maintain for the term of the Contract all insurance coverage required to ensure proper fulfillment of the Contract and its liabilities thereunder. The Respondent shall insure any of its motor vehicles used to fulfill its duties under the Contract and ensure that its subcontractors do the same. Such insurance shall comply with Texas statutory requirements and also cover any cargo being delivered to Customers.

The Respondent represents and warrants that all of the above coverage will be obtained from companies that are licensed in the state of Texas, have an "A" rating from Best, and are authorized to provide the coverage. The Respondent shall furnish proof of insurance upon request of a Customer or the CCG.

B.7.22 Deceptive Trade Practices; Unfair Business Practices

The Respondent represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Texas Business and Commerce Code, Chapter 17, or allegations of any unfair business practice in any administrative hearing or court suit and that the Respondent has not been found to be liable for such practices in such proceedings. The Respondent certifies that it has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.

B.7.23 Immigration

The Contractor represents and warrants that it shall comply with the requirements of the Immigration Reform and Control Act of 1986 and 1990 regarding employment verification and retention of verification forms for any individuals hired on or after November 6, 1986, who will perform any labor or services under the Contract and the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 ("IIRIRA") enacted on September 30, 1996.

B.7.24 Change Management

The Respondent agrees that the key personnel assigned to the Contract shall remain available for the entirety of the project throughout the term of the Contract as long as that individual is employed by the Respondent or unless the CCG agrees to a change in the key personnel.

B.7.25 Federal, State, and Local Requirements

Respondent shall demonstrate on-site compliance with the Federal Tax Reform Act of 1986, Section 1706, amending Section 530 of the Revenue Act of 1978, dealing with issuance of Form W-2's to common law employees. Respondent is responsible for both federal and State unemployment insurance coverage and standard Worker's Compensation insurance coverage. Respondent shall comply with all federal and State tax laws and withholding requirements. The State of Texas shall not be liable to Respondent or its employees for any Unemployment or Workers' Compensation coverage, or federal or State withholding requirements. Contractor shall indemnify the State of Texas and shall pay all costs, penalties, or losses resulting from Respondent's omission or breach of this Section.

B.7.26 No Liability Upon Termination

If this Contract is terminated for any reason, neither the State of Texas, nor CCG, nor Customer shall be liable to Respondent for any damages, claims, losses, or any other amounts arising from or related to any such termination. However, Respondent may be entitled to the remedies provided in Government Code, Chapter 2260.

B.7.27 Felony Criminal Convictions

Respondent represents and warrants that Respondent has not and Respondent's employees have not been convicted of a felony criminal offense, or that, if such a conviction has occurred, Respondent has fully advised CCG as to the facts and circumstances surrounding the conviction. If awarded the contract, Respondent has a continuing duty to amend, supplement or correct this representation and warranty not later than ten (10) days after discovering additional information relating to felony criminal convictions of Respondent or any of its employees. Respondent shall not allow any employee convicted of a felony criminal offense to perform tasks related to the contract without such disclosure and express permission from CCG.

B.7.28 Drug Free Workplace

The contractor shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701 ET SEQ.) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (grants), issued by the Office of Management and Budget and the Department of Defense (32 CFR Part 280, Subpart F) to implement the provisions of the Drug-Free Work Place Act of 1988 is incorporated by reference and the contractor shall comply with the relevant provisions thereof, including any amendments to the final rule that may hereafter be issued.

B.7.29 Vendor Performance

In accordance with Texas Government Code, 2155.074 and 2155.75, vendor performance may be used as a disqualification factor in the award.

B.7.30 Electronic and Information Resources Accessibility Standards, As Required by 1 TAC Chapter 213 (Applicable to State Agency and Institutions of Higher Education Purchases Only)

(1) Effective September 1, 2006 state agencies and institutions of higher education shall procure products which comply with the State of Texas Accessibility requirements for Electronic and Information Resources specified in 1 TAC Chapter 213 when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.

(2) Respondent shall provide DIR with the URL to its Voluntary Product Accessibility Template (VPAT) for reviewing compliance with the State of Texas Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act), or indicate that the product/service accessibility information is available from the General Services Administration "Buy Accessible Wizard" (<http://www.buyaccessible.gov>). Respondents not listed with the "Buy Accessible Wizard" or supplying a URL to their VPAT must provide DIR with a report that addresses the same

accessibility criteria in substantively the same format. Additional information regarding the "Buy Accessible Wizard" or obtaining a copy of the VPAT is located at <http://www.section508.gov/>.



Council On Competitive Government

RFP No. ATTACHMENT A EXECUTION OF PROPOSAL

Corporations presenting proposals to this agency **shall provide** the following:

Federal Employer ID#:

Entity Name:

Pursuant to Tx. Family Code §231.006(c), responses must include names and Social Security Numbers of each person with at least 25% ownership of the business entity submitting the response. If any person meets the 25% ownership criteria, failure to provide the required information will result in disqualification of the bid. Respondents meeting the ownership criteria must complete the following:

<hr/> Name	<hr/> Social Security Number
<hr/> Name	<hr/> Social Security Number
<hr/> Name	<hr/> Social Security Number
<hr/> Name	<hr/> Social Security Number

Under the Texas Government Code, Title 6, Subtitle B, §669.003 a state agency may not enter into a contract with a Respondent that employs a former executive head of the State Agency unless certain statutory conditions are met. By signing the below acknowledgment, the Respondent certifies that it is in compliance with §669.003. If §669.003 applies, the Respondent shall complete the following information in order for its Proposal to be evaluated:

Name of former Executive:

Name of State Agency:

Date of separation from State Agency:

Date of employment with Respondent

RFP No.
ATTACHMENT A
EXECUTION OF PROPOSAL (Continued)

RESPONDENT ACKNOWLEDGMENT

The Respondent does hereby acknowledge that it can meet all requirements as stated and also acknowledges the receipt, review, and acceptance of the Request for Proposals identified in its Proposal. Any exceptions to the statement of work, terms, requirements, and conditions have been explicitly set forth in the Respondents Proposal. Failure to sign and submit this form with its Proposal may disqualify the Proposal.

By signing this Execution of Proposal, respondent:

- 1) Certifies that if a Texas address is shown as the address of the respondent, the respondent qualifies as a Texas Resident Bidder as defined in Texas Administrative Code, Title 34, Part 1, Chapter 20.
- 2) Acknowledges that its proposal and subsequent documents submitted are subject to the Texas Public Information Act;
- 3) Acknowledges its obligation to specifically identify information it contends to be confidential or proprietary, and where respondent designates substantial portions of or the entire proposal as confidential or proprietary, the proposal is subject to being determined to be non-responsive to the solicitation.
- 4) Grants a royalty-free, non-revocable limited perpetual license to reproduce any copyrighted portions of the proposal and subsequent documents to comply with Legislative Budget Board reporting requirements, Public Information Act disclosures, or any other reporting requirements mandated by law or statute.
- 5) Respondent's Proposal will remain in effect for 120 days after the Proposal Due Date

Signature - Authorized Respondent Representative

Printed Name

Date



Council on Competitive Government

RFP No. ATTACHMENT B – RESPONDENT INFORMATION Complete and Return with Response

Federal Employer ID# or Texas
Payee/Vendor ID#:

DUNS No.
(If applicable)

Company Name:

Mailing Address:

Physical Address:

City/State/Zip:

E-Mail for Receipt of Purchase Orders:

Web Site URL

Please complete all fields for each name as requested on this form. All information is necessary to conduct mandated checks through the Excluded Parties List System (Reference Part B, Paragraph B.7.3) prior to award.

EXECUTIVE REPRESENTATIVE

Name – First	Middle Initial	Last	Title
Phone		E-mail	

CONTACT FOR PROPOSAL

Name – First	Middle Initial	Last	Title
Phone		E-mail	

PROGRAM/CONTRACT MANAGER

Name – First	Middle Initial	Last	Title
Phone		E-mail	

CUSTOMER SERVICE FOR PURCHASE ORDERS; PRODUCT QUESTIONS AND DELIVERY

Name – First	Middle Initial	Last	Title
Phone		E-mail	

Payment terms for the State of Texas are typically 30 days.
Provide the additional expedited payment discount extended if paid within the time period indicated below.

Number of Days		%	Number of Days		%	Number. of Days		%
----------------	--	---	----------------	--	---	-----------------	--	---



Council on Competitive Government

RFP No.

ATTACHMENT C - PREFERENCES

Ref. Sections 2.27 and 2.28 of the State of Texas Procurement Manual

<http://www.window.state.tx.us/procurement/pub/manual>

Identify the preferences for which you qualify:

- ☐ Goods produced OR
Offered by a Texas bidder that is owned by a Texas resident service-disabled veteran
- ☐ Goods produced in Texas OR
Offered by a Texas bidder that is not owned by a Texas resident service-disabled veteran
- ☐ Agricultural products grown in Texas
- ☐ Agricultural products offered by a Texas bidder
- ☐ Services offered by a Texas bidder that is owned by a Texas resident service-disabled veteran
- ☐ Services offered by a Texas bidder that is not owned by a Texas resident service disabled veteran
- ☐ Texas Vegetation Native to the Region
- ☐ USA produced supplies, materials or equipment
- ☐ Products of persons with mental or physical disabilities
- ☐ Products made of recycled, remanufactured, or environmentally sensitive materials including recycled steel
- ☐ Energy Efficient Products
- ☐ Rubberized asphalt paving material
- ☐ Recycled motor oil and lubricants
- ☐ Products produced at facilities located on formerly contaminated property
- ☐ Products and services from economically depressed or blighted areas
- ☐ Vendors that meet or exceed air quality standards
- ☐ Recycled or Reused Computer Equipment of Other Manufacturers
- ☐ Foods of Higher Nutritional Value



HUB SUBCONTRACTING PLAN (HSP)

QUICK CHECKLIST

While this HSP Quick Checklist is being provided to merely assist you in readily identifying the sections of the HSP form that you will need to complete, it is very important that you adhere to the instructions in the HSP form and instructions provided by the contracting agency.

- ❖ If you will be awarding all of the subcontracting work you have to offer under the contract to only Texas certified HUB vendors, complete:
 - ☐ Section 1 – Respondent and Requisition Information
 - ☐ Section 2 a. – Yes, I will be subcontracting portions of the contract
 - ☐ Section 2 b. – List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors
 - ☐ Section 2 c. – Yes
 - ☐ Section 4 – Affirmation
 - ☐ GFE Method A (Attachment A) – Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.
- ❖ If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you have a continuous contract* in place for five (5) years or less meets or exceeds the HUB Goal the contracting agency identified in the “Agency Special Instructions/Additional Requirements”, complete:
 - ☐ Section 1 – Respondent and Requisition Information
 - ☐ Section 2 a. – Yes, I will be subcontracting portions of the contract
 - ☐ Section 2 b. – List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors
 - ☐ Section 2 c. – No
 - ☐ Section 2 d. – Yes
 - ☐ Section 4 – Affirmation
 - ☐ GFE Method A (Attachment A) – Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.
- ❖ If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors or only to Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you have a continuous contract* in place for five (5) years or less does not meet or exceed the HUB Goal the contracting agency identified in the “Agency Special Instructions/Additional Requirements”, complete:
 - ☐ Section 1 – Respondent and Requisition Information
 - ☐ Section 2 a. – Yes, I will be subcontracting portions of the contract
 - ☐ Section 2 b. – List all the portions of work you will subcontract, and indicated the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors
 - ☐ Section 2 c. – No
 - ☐ Section 2 d. – No
 - ☐ Section 4 – Affirmation
 - ☐ GFE Method B (Attachment B) – Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2 b.
- ❖ If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources, complete:
 - ☐ Section 1 – Respondent and Requisition Information
 - ☐ Section 2 a. – No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources
 - ☐ Section 3 – Self Performing Justification
 - ☐ Section 4 – Affirmation

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into “new” contracts.



HUB SUBCONTRACTING PLAN (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.13 are:

- 11.2 percent for heavy construction other than building contracts,
- 21.1 percent for all building construction, including general contractors and operative builders contracts,
- 32.7 percent for all special trade construction contracts,
- 23.6 percent for professional services contracts,
- 24.6 percent for all other services contracts, and
- 21 percent for commodities contracts.

- - Agency Special Instructions/Additional Requirements - -

In accordance with 34 TAC §20.14(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only contracts that have been in place for five years or less shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.

SECTION 1 RESPONDENT AND REQUISITION INFORMATION

- a. Respondent (Company) Name: _____ State of Texas VID #: _____
Point of Contact: _____ Phone #: _____
E-mail Address: _____ Fax #: _____
- b. Is your company a State of Texas certified HUB? ☐ - Yes ☐ - No
- c. Requisition #: _____ Bid Open Date: _____

(mm/dd/yyyy)

Enter your company's name here: _____ Requisition #: _____

SECTION 2 SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including goods and services, will be subcontracted. Note: In accordance with 34 TAC §20.11., an "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- ☐ - **Yes**, I will be subcontracting portions of the contract. (If **Yes**, complete Item b, of this SECTION and continue to Item c of this SECTION.)
- ☐ - **No**, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources. (If **No**, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract</u> * in place for five (5) years or less.	Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract</u> * in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs .
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <http://window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>)

c. Check the appropriate box (Yes or No) that indicates whether you will be using only Texas certified HUBs to perform all of the subcontracting opportunities you listed in SECTION 2, Item b.

- ☐ - **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- ☐ - **No** (If **No**, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the **aggregate expected percentage** of the contract you will subcontract with Texas certified HUBs with which you have a continuous contract* in place with for five (5) years or less **meets or exceeds** the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements".

- ☐ - **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- ☐ - **No** (If **No**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed.)

**Continuous Contract: Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.*

a. This page can be used as a continuation sheet to the HSP Form's page 2, SECTION 2, Item b. Continue listing the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

[illegible]

Continuous Contract: Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: _____

Requisition #: _____

SECTION 3

SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.)

Check the appropriate box (Yes or No) that indicates whether your response/proposal contains an explanation demonstrating how your company will fulfill the entire contract with its own resources.

- ☐ - Yes (If **Yes**, in the space provided below **list the specific page(s)/section(s)** of your proposal which explains how your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)
- ☐ - No (If **No**, in the space provided below **explain how** your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)

SECTION 4

AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/progressassessmentrpt.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature

Printed Name

Title

Date
(mm/dd/yyyy)

REMINDER: ➤ If you responded "**Yes**" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

➤ If you responded "**No**" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

IMPORTANT: If you responded “Yes” to SECTION 2, Items c or d of the completed HSP form, you must submit a completed “HSP Good Faith Effort - Method A (Attachment A)” for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-A.doc>

Item #:	Description:
1	100% Cotton T-Shirt
2	100% Cotton T-Shirt
3	100% Cotton T-Shirt
4	100% Cotton T-Shirt
5	100% Cotton T-Shirt
6	100% Cotton T-Shirt
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97	100% Cotton T-Shirt
98	100% Cotton T-Shirt
99	100% Cotton T-Shirt
100	100% Cotton T-Shirt

HSP Good Faith Effort - Method B (Attachment B)

Enter your company's name here: _____ Requisition #: _____

IMPORTANT: If you responded "**No**" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: _____ Description: _____

SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

☐ - Yes (If Yes, to continue to SECTION B-4.)

☐ - No / Not Applicable (If No or Not Applicable, continue to SECTION B-3 and SECTION B-4.)

SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you MUST comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the minority or women trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "**A**" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to two (2) or more minority or women trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>
- List two (2) minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: _____ Requisition #: _____

SECTION B-4 SUBCONTRACTOR SELECTION

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item #: _____ Description: _____

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas certified HUB	VID # (Required if Texas certified HUB)	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.



HUB Subcontracting Opportunity Notification Form

In accordance with Texas Gov't Code, Chapter 2161, each state agency that considers entering into a contract with an expected value of \$100,000 or more shall, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the contract. The state agency I have identified below in **Section B** has determined that subcontracting opportunities are probable under the requisition to which my company will be responding.

34 Texas Administrative Code, §20.14 requires all respondents (prime contractors) bidding on the contract to provide notice of each of their subcontracting opportunities to at least three (3) Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs at least seven (7) working days to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, the respondent must provide notice of each of its subcontracting opportunities to two (2) or more minority or women trade organizations or development centers at least seven (7) working days prior to submitting its bid response to the contracting agency.

We respectfully request that vendors interested in bidding on the subcontracting opportunity scope of work identified in **Section C, Item 2**, reply no later than the date and time identified in **Section C, Item 1**. Submit your response to the point-of-contact referenced in **Section A**.

Section A	PRIME CONTRACTOR'S INFORMATION
Company Name:	State of Texas VID #:
Point-of-Contact:	Phone #:
E-mail Address:	Fax #:

Section B	CONTRACTING STATE AGENCY AND REQUISITION INFORMATION
Agency Name:	
Point-of-Contact:	Phone #:
Requisition #:	Bid Open Date: (mm/dd/yyyy)

Section C	SUBCONTRACTING OPPORTUNITY RESPONSE DUE DATE, DESCRIPTION, REQUIREMENTS AND RELATED INFORMATION
1. Potential Subcontractor's Bid Response Due Date:	<p>If you would like for our company to consider your company's bid for the subcontracting opportunity identified below in Item 2, we must receive your bid response no later than <input type="text" value="Select"/> Central Time on: <input type="text" value="Date (mm/dd/yyyy)"/></p> <div><p><i>In accordance with 34 TAC §20.14, each notice of subcontracting opportunity shall be provided to at least three (3) Texas certified HUBs, and allow the HUBs at least seven (7) working days to respond to the notice prior to submitting our bid response to the contracting agency. In addition, we must provide the same notice to two (2) or more minority or women trade organizations or development centers at least seven (7) working days prior to submitting our bid response to the contracting agency.</i></p><p><i>(A working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the minority or women trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.)</i></p></div>
2. Subcontracting Opportunity Scope of Work:	
3. Required Qualifications: <input type="checkbox"/> - Not Applicable	
4. Bonding/Insurance Requirements: <input type="checkbox"/> - Not Applicable	
5. Location to review plans/specifications: <input type="checkbox"/> - Not Applicable	

As per Section A.8.3 of the contract, this report is to be submitted monthly on or before the 10th of each month. If there are no charges or invoices for the month, please report as such.

The report should be submitted by email to the contact listed in the RFP for the Texas State Library and Archives Commission with copy going to the CCG Category Manager as listed in RFP.

Column:	Instructions:
Purchase Order Number	The PA's Purchase Order number that related to this charge
Invoice Date	The invoice date for the charge
Customer Number	The number that is assigned to State agencies and universities or the CPA assigned number for Co-op members
Customer (Ordering Entity)	The Customer's name. Example: City of Austin Please include PA's Division if there is more than one. Example: HHSC-Mail Room
Name of Service Provided	Type of Service. Examples: Delivery, hosting, destruction, desk top scanning processing, etc.
Service Number	Service number assigned from the awarded Price Sheet.
Description	Short description or criteria of the specific charge from the Price Sheet. Example: 300 DPI
Start Date	Billing start date for Service on this invoice.
End Date	Billing end date for Service on this invoice
Number of Units	Quantity - The number of times this fee was charged.
Unit Of Measure	The pricing unit of measure from the Price Sheet. Example: per image
Price Per Unit	Price listed from the awarded Price Sheet.
Total Charge	Total extended charge for this line on invoice.
Purchaser Name	The PA's primary point of contact or the PA's purchaser name from the P.O.
Purchaser Email	The PA's primary point of contract or the PA's purchaser's email from the P.O.

Please contact the CCG Category Manager if you have any questions about what is to be reported in each line of the report.

	Digital Imaging
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Contractor Name:	
Report Date:	

[illegible]

Spend Data Reporting

[illegible]

Price Grid Instructions: Digital Imaging Services RFP 920-C1

Please Use the following tabs to complete your pricing proposal. Below you will find a brief Description of each tab. The cells highlighted in orange permit data entry. Please DO NOT make changes to any other cells. Any such modifications may result in the disqualification of a price proposal at the sole discretion of the RFP evaluation team.

Tab	Descriptions/Instructions
1.0 Fees and Charges	<p>Utilize this section to propose your imaging fees and volume monthly discount that will be offered.</p> <ol style="list-style-type: none">1. Enter Zero (0) if you provide it at no cost.2. Enter N/A if you do not provide this service. <p>The FY13 Usage is total historical data from current Contractors. There is NO guaranteed or minimum usage for this service in the future.</p> <p><u>Awarded Contractor(s) will not be allowed to charge fees that are not identified on this page as per Section A.4.3. Additional spaces have been provided to allow for any of your additional fees that have not been entered in items 1 through 82.</u></p>
1.1 Description	Additional description for each service.
2.0 Historical Customer Data	This tab provides Respondents with individual historical customer usage. Informational only, no response needed.

1.0 Fees and Charges

Use the grids below to propose your pricing for transactions. Please enter 0 for services that are provide at no cost and N/A if you do not provide this service. Please utilize the "Other Fees" section to describe any other fees or charges. Note that Contractors will not be allowed to charge any fees not listed below. Cells shaded in orange allow Respondents to submit their pricing proposals. Please DO NOT add, delete, or modify any other cells. Doing so may subject your proposal to disqualification at the sole discretion of the evaluation team. SEE RFP and worksheet 1.1 Descriptions for requirements, definitions, and descriptions.

Company Name	<Enter Company Name Here>
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Imaging Services	Item	Item Description	Pricing Unit	FY 13 Qty	Price
Black and White Image Capture	1	Low (200 DPI)	Per Image	65,459,585	
	2	Medium (300 DPI)	Per Image	29,862,857	
	3	High (400 DPI)	Per Image	0	
	4	Very High (600 DPI +)	Per Image	0	
	5	Preservation < 600 PPI	Per Image	0	
	6	Preservation >= 600 PPI	Per Image	0	
Color Image Capture	7	Medium (300 DPI)	Per Image	102,039	
	8	High (400 DPI)	Per Image	0	
	9	Very High (600 DPI +)	Per Image	0	
	10	Preservation < 600 PPI	Per Image	0	
	11	Preservation >= 600 PPI	Per Image	0	
Large Format Image Capture	12	Medium (300 DPI)	Per Image	65,276	
	13	High (400 DPI)	Per Image	0	
	14	Very High (600 DPI +)	Per Image	0	
Transparent Media Image Capture	15	Medium (1200 PPI)	Per Image	0	
	16	High (2400 PPI)	Per Image	0	
	17	Very High (4000 PPI +)	Per Image	0	
Image Processing	18	Low (200 DPI)	Per Image	38,537,267	
	19	Medium (300 DPI)	Per Image	0	
	20	High (400 DPI)	Per Image	0	
	21	Very High (600 DPI +)	Per Image	0	
	22	Preservation < 600 PPI	Per Image	0	
	23	Preservation >= 600 PPI	Per Image	0	
Microfilm Conversion	24	Conversion of microfilm to digital Images	Per Image	0	
Microfiche Conversion	25	Conversion of microfiche to digital Images	Per Image	1,571,281	
Index Field - Type 1	26	Up to 15 Characters	Per Document	38,290,544	
	27	16-30 Characters	Per Document	0	
	28	31-45 Characters	Per Document	0	
Index Field - Type 2	29	Up to 15 Characters	Per Document	13,432,599	
	30	16-30 Characters	Per Document	785,676	
	31	31-45 Characters	Per Document	1,241,299	
Searchable PDF Documents	32	Scanned images with text portions	Per Image	2,149,650	
Special Document Handling	33	Handling includes overnight vault storage services	Per Day	281	

1.0 Fees and Charges

Use the grids below to propose your pricing for transactions. Please enter 0 for services that are provide at no cost and N/A if you do not provide this service. Please utilize the "Other Fees" section to describe any other fees or charges. Note that Contractors will not be allowed to charge any fees not listed below. Cells shaded in orange allow Respondents to submit their pricing proposals. Please DO NOT add, delete, or modify any other cells. Doing so may subject your proposal to disqualification at the sole discretion of the evaluation team. SEE RFP and worksheet 1.1 Descriptions for requirements, definitions, and descriptions.

Company Name	<Enter Company Name Here>
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Imaging Services	Item	Item Description	Pricing Unit	FY 13 Qty	Price
	34	Special handling for fragile materials	Per Image	0	
	35	Handling includes stringent environmental requirements	Per Day	10	
Capture from Special Formats	36	Photographic prints	Per Image	0	
	37	Photographic negatives	Per Image	0	
	38	Newspapers	Per Image	0	
	39	X-Rays	Per Image	0	
	40	Manuscripts	Per Image	0	
	41	Drawings	Per Image	0	
	42	Bound Books	Per Image	654,071	
Enhancing Images	43	Bit depth	Per Image	30,720,481	
	44	Resolution	Per Image	30,271,335	
	45	Tonal dynamic range	Per Image	0	
	46	Contrast	Per Image	0	
	47	Color space	Per Image	0	
Delivery Media	48	CD	Per Disc	2,630	
	49	DVD	Per Disc	26	
	50	USB	Per Device	0	
	51	External hard drive	Per Drive	0	
	52	Flash memory device	Per Device	0	
	53	Microfilm (Digital Archive Writer)	Per Image	1,301,327	
	54	Microfilm (Digital Archive Writer)	Per Roll	144	
Data Exchange	55	Compatible & Secure electronic data Exchange	Per gigabyte	715,867	
Image Repository Hosting	56	Central hosting of digital Images including routine backups	Per Image/ Per month	3,449,785,550	
	57	Redundant Hosting at alternate location	Per Image/ Per month	1,791,625,920	
Image Repository Maintenance	58	Image repository additions and maintenance	Per Hour	0	
Adding Electronic Images to Image Library	59	Processing images already in electronic format	Per Image	1,448,630	
Personnel	60	Project Manager	Per Hour	0	
	61	Certified Digital Imaging Architect	Per Hour	0	
	62	Programming Support	Per Hour	7846	
	63	Technical Support	Per Hour	7846	
	64	Data Entry	Per Hour	784	
	65	Document Preparation	Per Hour	78,201	
	66	Advanced Document Preparation	Per Hour	12,122	
	67	Re-preparation Services	Per Hour	92	

1.0 Fees and Charges

Use the grids below to propose your pricing for transactions. Please enter 0 for services that are provided at no cost and N/A if you do not provide this service. Please utilize the "Other Fees" section to describe any other fees or charges. Note that Contractors will not be allowed to charge any fees not listed below. Cells shaded in orange allow Respondents to submit their pricing proposals. Please DO NOT add, delete, or modify any other cells. Doing so may subject your proposal to disqualification at the sole discretion of the evaluation team. SEE RFP and worksheet 1.1 Descriptions for requirements, definitions, and descriptions.

Company Name	<Enter Company Name Here>
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Imaging Services	Item	Item Description	Pricing Unit	FY 13 Qty	Price
	68	Training Specialist	Per Hour	1,200	
Needs Assessment and Analysis	69	Project Planning Report	Per Hour	1,500	
Transportation of Source Material	70	Vehicle charge per round trip (1st 20 miles included)	Per Trip	2,743	
	71	Vehicle charge per mile over 20 miles round trip	Per mile	0	
	72	Secure carrier charge for each box in shipment	Per Box	5,589	
Secure Document Destruction	73	Paper Destruction	Per pound	324,383	
	74	Non-paper Destruction	Per pound	0	
Output File Formating	75	Image output in non-proprietary file formats	Per Image	38,941,483	
	76	Indexes, audit trails, etc. (Non-Proprietary file formats)	Per gigabyte	0	
Location of Scanning	77	Performed at Contractor's facility, by contractor's staff	Per Image	21,822,399	
	78	Performed at PA facility by Contractor's staff	Per Image	16,406,869	
	79	Performed at Secure Mobile Scanning Unit by Contractor Staff	Per Image	0	
Desk Top Scanning	80	Performed at PA location by PA staff using Contractor's equipment	Per Image	1,151,975	
	81	Maintenance and support for Contractor equipment	Per Month	0	
Extended Storage of Source Documents	82	Storage and security levels as per PA SOW.	Per day, per box	0	

Other Services Fees

Note: Services described below are considered different from services described above. As such, vendors cannot require services described below in order to fulfill services described above.

[illegible]

1.0 Fees and Charges

Use the grids below to propose your pricing for transactions. Please enter 0 for services that are provided at no cost and N/A if you do not provide this service. Please utilize the "Other Fees" section to describe any other fees or charges. Note that Contractors will not be allowed to charge any fees not listed below. Cells shaded in orange allow Respondents to submit their pricing proposals. Please DO NOT add, delete, or modify any other cells. Doing so may subject your proposal to disqualification at the sole discretion of the evaluation team. SEE RFP and worksheet 1.1 Descriptions for requirements, definitions, and descriptions.

Company Name	<Enter Company Name Here>
--------------	---------------------------

[illegible]

1.1 Descriptions

Imaging Services	Item	Item Description	Additional Details
Black and White Image Capture	1	Low (200 DPI)	Contractor to provide Imaging in black & white; up to 11 inches x 17 inches
	2	Medium (300 DPI)	
	3	High (400 DPI)	
	4	Very High (600 DPI +)	
	5	Preservation < 600 PPI	
	6	Preservation >= 600 PPI	
Color Image Capture	7	Medium (300 DPI)	Contractor to provide Image Capture for Documents that are larger than 11 inches x 17 inches
	8	High (400 DPI)	
	9	Very High (600 DPI +)	
	10	Preservation < 600 PPI	
	11	Preservation >= 600 PPI	
Large Format Image Capture	12	Medium (300 DPI)	Contractor to provide Image Capture for Documents that are larger than 11 inches x 17 inches
	13	High (400 DPI)	
	14	Very High (600 DPI +)	
Transparent Media Image Capture	15	Medium (1200 PPI)	Contractor to provide Image Capture for Documents that are Black & white or color, positive or negative film up to 6x9 cm (excluding x-rays)
	16	High (2400 PPI)	
	17	Very High (4000 PPI +)	
Image Processing	18	Low (200 DPI)	Contractor to provide Optical Character Recognition, Intelligent Character Recognition, Intelligent Document Recognition, Intelligent Text Recognition, zonal scanning, Optical Mark Recognition, and other services of this type per PA's SOW. Note: This service may require a minimum DPI to extract data
	19	Medium (300 DPI)	
	20	High (400 DPI)	
	21	Very High (600 DPI +)	
	22	Preservation < 600 PPI	
	23	Preservation >= 600 PPI	
Microfilm Conversion	24	Conversion of microfilm to digital Images	Contractor provides the conversion of microfilm to digital Images.
Microfiche Conversion	25	Conversion of microfiche to digital Images	Contractor provides the conversion of microfiche to digital Images.
Index Field - Type 1	26	Up to 15 Characters	Contractor provides index information via an automated process (e.g., during filename creation, matching Images to agency barcodes, or importing index data from spreadsheets or databases)
	27	16-30 Characters	
	28	31-45 Characters	
Index Field - Type 2	29	Up to 15 Characters	Contractor provides index information Captured within each Document, such as social security number, name or address.
	30	16-30 Characters	
	31	31-45 Characters	
Searchable PDF Documents	32	Scanned images with text portions	Contractor provides scanned images with text portions allowing the user to easily search for and locate any keyword within the scanned document.
Special Document Handling	33	Handling includes overnight vault storage services	Special document handling that includes overnight vault storage services.
	34	Special handling for fragile materials	Special document handling that includes fragile material handling services. (e.g., white glove handling, book cradles, etc.)
	35	Handling includes stringent environmental requirements	Special document handling that includes stringent environmental requirements for temperature, humidity, light, air quality, etc.
Capture from Special Formats	36	Photographic prints	Image Capture from photographic prints.
	37	Photographic negatives	Image Capture from photographic negatives.
	38	Newspapers	Image Capture from newspapers.
	39	X-Rays	Image Capture from X-Rays.
	40	Manuscripts	Image Capture from manuscripts.
	41	Drawings	Image Capture from drawings.
	42	Bound Books	Image Capture from bound books.
Enhancing Images	43	Bit depth	Enhancing the image by adjusting the bit depth.
	44	Resolution	Enhancing the image by adjusting the Resolution
	45	Tonal dynamic range	Enhancing the image by adjusting the tonal dynamic range.
	46	Contrast	Enhancing the image by adjusting the contrast.
	47	Color space	Enhancing the image by adjusting the color space.
Delivery Media	48	CD	Delivery of images on a CD.
	49	DVD	Delivery of images on a DVD.
	50	USB	Delivery of images on a USB device.
	51	External hard drive	Delivery of images on an external hard drive.
	52	Flash memory device	Delivery of images on a flash memory device.

1.1 Descriptions

Imaging Services	Item	Item Description	Additional Details
	53	Microfilm (Digital Archive Writer)	Price per image (not per roll) to output digital images to microfilm (i.e., archive writer). This service also includes the film and processing.
	54	Microfilm (Digital Archive Writer)	Price per roll of microfilm (not per image) to output digital images to microfilm (i.e., archive writer). This service also includes the film and processing.
Data Exchange	55	Compatible & Secure electronic data Exchange	Price for Contractor to exchange electronic data compatibly and securely with the PA in accordance with PA requirements. For example using SSL, FTP, VPN, etc.
Image Repository Hosting	56	Central hosting of digital Images including routine backups	Price for providing a computer location where a collection of digital Images is kept and maintained in an organized way. This price includes routine backups.
	57	Redundant Hosting at alternate location	Redundant Hosting is for Disaster Recovery/failover of the PA's Image Repository and its functionality beyond standard computer backups. This service covers hardware/software/images, etc. at a location different from the physical location of the Image Repository with a Service Level Agreement about time to restore functionality in the event of a disaster.
Image Repository Maintenance	58	Image repository additions and maintenance	The price for Contractor to deposit the Images into the Image Repository in PA selected Output Format and to update the Image Repository with new index information. PA may have the system automatically, with no human intervention, update existing index information to existing stored Images without creating a new version of the original Images in the SOW. See Section A.6.8.6 for additional requirements.
Adding Electronic Images to Image Library	59	Processing images already in electronic format	See Section A.6.8.6.6 Processing images already in electronic format (i.e. created or received by PA in electronic format). Not charged in combination with any Image Capture fees.
Personnel	60	Project Manager	The price per hour for Project Manager services.
	61	Certified Digital Imaging Architect	The price per hour for Certified Digital Imaging Architect services.
	62	Programming Support	The price per hour for Programming Support services.
	63	Technical Support	The price per hour for Technical Support services.
	64	Data Entry	The price per hour for Data Entry (e.g., manual indexing, typing to correct Optical Character Recognition of poor quality original, etc.)
	65	Document Preparation	The price per hour for Document preparation services.
	66	Advanced Document Preparation	The price per hour for advanced or specialized Document Preparation services.
	67	Re-preparation Services	The price per hour for Re-preparation services.
	68	Training Specialist	The price per hour for training of PA's employees.
Needs Assessment and Analysis	69	Project Planning Report	The price to produce a Needs Assessment and Analysis and/or a Project Plan report for PA that includes projected costs, a milestone schedule, and recommendations with clearly defined requirements linked to the project goals to ensure high quality, cost-efficient solutions based on SOW.
Transportation of Source Material	70	Vehicle charge per round trip (1st 20 miles included)	The price for transportation of Source Material in Contractor's vehicle. This includes the first 20 miles of round trip mileage.
	71	Vehicle charge per mile over 20 miles round trip	In addition to the base price of transportation of Source Material in Contractor's vehicle, this is the charge per mile over 20 miles round trip. See Section A.7.2
	72	Secure carrier charge for each box in shipment	The price for transportation by secure carrier that is charged for each box/carton of Source Material shipped.
Secure Document Destruction	73	Paper Destruction	If approved by the PA, the Contractor must destroy (rather than return) the paper Source Media and send written confirmation to the PA that the information has been destroyed. See Section A.6.3 for additional detailed information about using the CCG Secure Document Destruction Contract statewide. State agencies are required to use the State's Set-Aside Document Destruction Services contracts as per Human Resources Code §122.008 and Vendor(s) are encouraged to accommodate the PA
	74	Non-paper Destruction	If approved by the PA, the Contractor must destroy (rather than return) the non-paper Source Media (i.e., microfilm, etc.) and send written confirmation to the PA that the information has been destroyed. See Section A.6.3 for additional detailed information about using the CCG Secure Document Destruction Contract statewide. State agencies are required to use the State's Set-Aside Document Destruction Services contracts as per Human Resources Code §122.008 and Vendor(s) are encouraged to accommodate the PA requirements

1.1 Descriptions

Imaging Services	Item	Item Description	Additional Details
Output File Formating	75	Image output in non-proprietary file formats	For Images: must be output in File Formats that are non-proprietary. Includes, but are not limited to, PDF, PDF/A text and/or Image files; single-page TIFFs with standard compression; BMP; JPEG; HTML; ASCII text; SGML tagged for electronic distribution or publishing; XML; CAD; word processing; etc.
	76	Indexes, audit trails, etc. (Non-Proprietary file formats)	For indexes, audit trails, etc: Includes, but not limited to, CSV, ASCII, delimited, etc.
Location of Scanning	77	Performed at Contractor's facility, by contractor's staff	Work Performed by Contractor's staff, using Contractor's equipment.
	78	Performed at PA facility by Contractor's staff	
	79	Performed at Secure Mobile Scanning Unit by Contractor's staff	
Desk Top Scanning	80	Performed at PA location by PA staff	Desktop Scanning Services are Digital Imaging Services that are performed at PA location by PA personnel using Contractor's scanner equipment. See Section A.6.8.9 This is not is NOT a surcharge to image capture prices and includes the maintenance and support of the contractor's equipment.
	81	Maintenance and support for Contractor equipment	Monthly charge for hardware, maintenance and support for Desk Top Scanning.
Extended Storage of Source Documents	82	Storage and security levels as per PA SOW.	Extended Secure storage of Source Media for Customer after the project has been completed. See Section A.6.2.4 for additional information.

2.0 Historical Customer Data

PA / Customer	FY13 Total Amount Invoiced *
Texas Department of Motor Vehicles	\$ 2,874,726.64
Department of Family and Protective Services	\$ 2,525,468.94
Bexar County	\$ 656,642.88
Railroad Commission Of Texas	\$ 599,146.59
Texas Secretary of State	\$ 446,224.83
Texas Commission on Environmental Quality	\$ 426,220.00
Travis County	\$ 294,286.17
Health and Human Services Commission	\$ 215,525.94
Department of Aging and Disabilities Services	\$ 182,379.93
Texas Junivile Justice Department	\$ 146,727.80
Reeves County	\$ 138,880.00
Ward County	\$ 134,285.25
Ochiltree County	\$ 99,999.90
Texas Workforce Commission	\$ 95,261.48
Webb County Tax Office	\$ 89,715.72
Wise County	\$ 87,679.75
Department State Health Services	\$ 79,747.25
Texas Department of Agriculture	\$ 77,639.25
Employees Retirement Systems	\$ 57,069.48
Department of Licensing and Regulation	\$ 44,357.20
Texas Veterans Commission	\$ 39,052.55
Real Estate Commission	\$ 37,319.67
Sixth Court of Appeals	\$ 34,876.72
Texas Board of Nursing	\$ 27,963.97
Texas Parks and Wildlife Department	\$ 27,945.00
Office of the Attorney General	\$ 27,046.08
Department of Assistive and Rehabilitative Services	\$ 27,012.60
Lake Travis Fire Rescue	\$ 15,320.65
Collin County, TX	\$ 12,889.50
Texas Department of Housing & Community Affairs	\$ 10,559.13
Texas Education Agency	\$ 6,503.24
Texas State Board of Pharmacy	\$ 5,990.56
Supreme Court of Texas	\$ 4,224.69
Texas Alcohol and Beverage Commission	\$ 4,124.87
Board of Veterinary Medical Examiners	\$ 3,837.87
Texas State	\$ 2,644.10
Board of Professional Geoscientists	\$ 1,698.93
Legislative Reference Library	\$ 1,142.60
Texas Water Development Board	\$ 645.50
Credit Union Department	\$ 524.52
Court of Appeals - Tenth Court	\$ 510.99
University of Texas - San Antonio	\$ 430.32
Health Professional Council	\$ 289.29
Board of Dental Examiners	\$ 203.32
Texas Board of Land Surveying	\$ 163.11
Grand Total	\$ 9,564,904.81

* Historical amounts as reported by current Contractors and are not any guarantee of future needs, as projects vary from year to year.

Exhibit A

Council on Competitive Government RFP No. 920 C1



State of Texas

Office of the Attorney General

CSD Digital Mail Imaging Services

Statement of Work #359911

Version 1.0

Distributed:

April 24, 2014

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1. INTRODUCTION

The Office of the Attorney General (OAG) is issuing this Statement of Work (SOW) to obtain a Vendor to perform Digital Imaging Services as described below, under the Council for Competitive Government's (CCG) Digital Imaging Services Master Contract. The OAG will only consider Responses from Vendors that are willing and able to fulfill all aspects of the requested services and have been pre-approved for the CCG Master Contract under the CCG's corresponding Request for Proposal (RFP) (RFP No. 920 C1).

1.1. OAG Objectives

The objective of this SOW is to provide requirements for CSD Digital Mail Imaging Services in order to select a Vendor to:

- Provide timely, Secure pickup, transportation, storage, handling and disposition/return of Source Media as specified;
- Successfully convert CSD Source Media to CSD Output Media as specified;
- Provide timely, Secure electronic delivery of OAG's Output Media as specified, and;
- Provide timely reports of key activities and respond to routine requests from OAG to ensure that all Source Media and Output Media meet the OAG's requirements as specified.

1.2. Duration

The duration of the Contract shall begin upon issuance of an OAG Purchase Order (PO) and the Initial Term shall end on August 31, 2017. The Contract may be renewed for up to three (3) one-year term(s).

1.2.1. Option to Extend

The Awarded Vendor agrees that the OAG may require continued performance beyond the initial or any renewal Contract term of any of the within described services at the rates specified in the Contract. This option may be exercised more than once, but the total extension of performance hereunder shall not exceed one hundred twenty (120) calendar days or January 31, 2020, whichever is later. Such extension of services shall be subject to the requirements of the Contract, with the sole and limited exception that the original date of termination shall be extended pursuant to this provision. The OAG may exercise this option upon thirty (30) calendar days' written notice to the Awarded Vendor.

1.3. Definitions and Acronyms

When capitalized, the following terms have the meaning set forth below. All other terms have the meaning set forth in Merriam Webster's Collegiate Dictionary, Eleventh Edition.

All acronyms, abbreviations and definitions in this section are derived from the State Council on Competitive Government's (CCG) Master Contract for Digital Imaging Services, except where indicated by an asterisk (*). Some of the definitions derived from the Master Contract have been modified to more specifically address requirements in this SOW while preserving their original meaning; however, in the event of conflict, the definition presented in this SOW shall take precedence.

Term	Description																				
Awarded Vendor*	The Vendor(s) awarded the Contract(s) resulting from this SOW. Also “Contractor” and “Vendor.”																				
Backup Files	Copies of files or databases kept for a specified time in case the original files or databases are damaged, lost or Destroyed.																				
Best Possible Image*	An attribute assigned by the Awarded Vendor to Output Media that, due to the poor quality of the Source Media, and in spite of all reasonable efforts on the part of the Awarded Vendor to compensate for the deficiencies in the Source Media, may not meet OAG quality standards,																				
Business Day	<p>The days and hours (Monday through Friday, 8:00 a.m. to 6:00 p.m. Local Time) in which the OAG is open for business. The OAG CSD is closed for business on the scheduled holidays indicated on the table below. If a scheduled holiday falls on a weekend, the holiday is generally not observed. The OAG Contract Manager or designee will communicate any variation from the standard holiday schedule as it becomes known.</p> <table> <tr> <th>Holiday</th><th>When Observed</th></tr> <tr> <td>New Year’s Day</td><td>January 1</td></tr> <tr> <td>Martin Luther King, Jr. Day</td><td>third Monday in January</td></tr> <tr> <td>President’s Day</td><td>third Monday in February</td></tr> <tr> <td>Memorial Day</td><td>last Monday in May</td></tr> <tr> <td>Independence Day</td><td>July 4</td></tr> <tr> <td>Labor Day</td><td>first Monday in September</td></tr> <tr> <td>Veteran’s Day</td><td>November 11</td></tr> <tr> <td>Thanksgiving</td><td>Fourth (4th) Thursday and Friday in November</td></tr> <tr> <td>Christmas</td><td>December 24, 25 and 26</td></tr> </table>	Holiday	When Observed	New Year’s Day	January 1	Martin Luther King, Jr. Day	third Monday in January	President’s Day	third Monday in February	Memorial Day	last Monday in May	Independence Day	July 4	Labor Day	first Monday in September	Veteran’s Day	November 11	Thanksgiving	Fourth (4 th) Thursday and Friday in November	Christmas	December 24, 25 and 26
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Veteran’s Day	November 11																				
Thanksgiving	Fourth (4 th) Thursday and Friday in November																				
Christmas	December 24, 25 and 26																				
Capture	The process of scanning and converting Source Media Documents to Output Media Documents.																				
CCG	The Texas Council on Competitive Government.																				
Chain of Custody	A documented, chronological process for tracking the transfer and control of Documents from the Awarded Vendor’s initial Check-out of Source Media to the final Destruction of Source Media, Check-in of Hold-and-Return Source Media, and transmission of Output Media to OAG.																				





Term	Description
Check-in*	The final step in the Chain of Custody process, when the Awarded Vendor returns Hold-and-Return Source Media and Backup Files to the OAG. (See also Electronic Check-in.)
Check-out*	The first step in the Chain of Custody process. Check-out occurs when the Awarded Vendor takes possession of Source Media.
Contract Award*	The day the OAG issues a Purchase Order for this SOW to the Awarded Vendor.
Contract*	The entire agreement between the OAG and the Awarded Vendor resulting from this procurement. See Section 2.2 for the list of Contract documents and order of precedence.
Contractor	The Vendor(s) awarded the Contract(s) resulting from this SOW. Also “Awarded Vendor.”
Controlled Correspondence*	Numbered and tracked correspondence regarding Contract-related issues. The OAG shall manage the controlled correspondence process in accordance with Section 3.4 .
CSD Destination*	The internal CSD recipient of Output Media created by the Awarded Vendor.
CSD Image Repository*	The repository provided by the OAG to receive transmitted Output Media from the Awarded Vendor.
CSD*	The OAG’s Child Support Division
Destruction*	A Secure process that burns, pulverizes, shreds or otherwise transforms Documents so that information cannot be read or reconstructed from them in whole or in part. Definition includes derivatives, e.g., Destroyed.
Digital Imaging*	The process of Scanning a variety of source Documents from multiple Source Media with varying degrees of image quality. Digital Imaging may use character recognition and file compression and deliver in multiple Output File Formats on a variety of Output Media. Also “Scanning.”
Digital Mail*	Output Media Checked-in to the CSD Image Repository by the Awarded Vendor will be transformed to Digital Mail by OAG and delivered to the CSD Destination identified on the corresponding Source Media.
Document	A distinct written or printed instrument that conveys information. For this SOW, Document may also be used to describe the individual items that comprise Source Media or Output Media.
Dots Per Inch (DPI)	DPI is a measure of the number of individual dots that can be placed within the span of one (1) linear inch (2.54 centimeters).
Electronic Check-in*	Secure transmittal of Output Media to the CSD Image Repository.




Term	Description
Hold-and-Return*	The term applied to Source Media that cannot be Destroyed after Capture and must be returned to the OAG.
Image	An electronic representation of content, such as a Document. It may be loosely divided into two (2) types: master Images, which are Images prior to any enhancement or correction saved in an uncompressed format, and derivative Images, which may have been processed in some manner and are often saved at a lower resolution or in a different format for access purposes.
Master Contract*	Council for Competitive Government's Digital Imaging Services Master Contract (No. 920 C1)
MOC*	The Office of the Attorney General's Mail Operations Center for processing incoming and outgoing mail, located in Austin, Texas. This is the location where the Awarded Vendor will Check-out and Check-in OAG Source Media, including Hold-and-Return Source Media, as described in this SOW.
OAG*	Office of the Attorney General of Texas
Output File Format	An Output File Format is a way to receive digital images in digital files. Sample Output File Formats include, but are not limited to, PDF, TIFF, and JPEG.
Output Media	An accurate representation of Source Media that has been Captured and stored by the Awarded Vendor in the Output File Format specified under this SOW and conforming to all applicable quality standards specified in this SOW and the Master Contract.
PO*	The Purchase Order to be issued for this SOW
Quality Control (QC)*	Any processes or techniques used by the OAG and the Awarded Vendor to promote and verify compliance with Contract requirements and achievement of performance measures.
Respondent*	A Vendor responding to this SOW.
Response*	A Vendor's submission to this SOW.
Secure*	Having administrative, technical and physical safeguards as set forth in IRS Publication 1075 to insure the security and confidentiality of records and to protect against any anticipated threats or hazards to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom information is maintained.
Source Media	The source materials delivered to/received by the Vendor to Capture. Source Media will predominately consist of mail received by the MOC, although other types of Documents will be included as well.
SOW	Statement of Work.

Term	Description
Transportation*	The physical movement of Source Media between the OAG and Vendor's facilities.
Unique Identifier*	An alpha-numeric character string assigned by the OAG to be used for tracking Source Media and Output Media throughout all Chain of Custody processes.
Vendor*	Any individual, partnership, or corporation submitting a Response. Also "Respondent."

1.4. Attachments and Forms

This SOW also includes the following attachments and forms. All attachments are subject to modification by the OAG.

Attachments		
1	CSD Mailed Payments Log (Vendor Version)	 CSD Mailed Pmt Log.pdf
2	OAG-CSD Certificate of Destruction for Contractors and Vendors	 CSD Certificate of Destruction.docx
3	CSD Security Incident Report	 CSD Security Incident Report for C
4	United States Internal Revenue Service Requirements for the Safeguarding of Federal Tax Information Including Federal Tax Returns and Return Information	 IRS Requirements for FTI.docx

Forms		
A	CSD Certification Regarding Lobbying	 CSD Certification Regarding Lobbying.c
B	CSD Digital Mail Imaging Services Pricing	 CSD Digital Mail Pricing Form.docx
C	CSD Business Continuity Questionnaire	 CSD BCDR Questionnaire v1.xlsx

2. PROCUREMENT PROCESS

2.1. Schedule of Events

Respondents shall refer to the CCG RFP for key dates regarding this solicitation. The OAG reserves the right to change the dates if necessary.

2.2. Contract Documents

The contract resulting from this SOW will be comprised of the below listed documents, including their attachments, forms, exhibits and addenda. No prior agreement or understanding, oral or otherwise, of the parties or their agents will be valid or enforceable unless embodied in these documents. In the event of a conflict between the provisions of the below documents, the documents are given the following order of priority:

1. OAG Purchase Order
2. OAG final SOW
3. Awarded Vendor's final SOW Response
4. CCG Digital Imaging Services Master Contract

In the event of a conflict in the order of priority of the contract documents as provided in this Section [2.2](#), and the order of priority of the contract documents as provided in the OAG Purchase Order, the order of priority provided in the OAG Purchase Order shall control.

2.3. Point of Contact Information

Respondents shall address all communications concerning this SOW to the Point of Contact listed in Section A.9.4 of the CCG RFP and shall make no contact with OAG personnel unless instructed by the RFP Point of Contact. Failure to comply with this requirement may result in disqualification.

2.4. Response Submission Requirements

2.4.1. Eligibility

2.4.1.1. The OAG will not initiate a formal review of any Response to this SOW unless the Respondent's Proposal to the CCG has successfully passed the CCG's Phase 1, Evaluation of Mandatory Requirements (See CCG RFP A.10.1, Phase I - Evaluation of Mandatory Requirements).

2.4.1.2. The OAG will only include in its final recommendation Response(s) to this SOW from Respondent(s) that have been awarded a Contract under the CCG Master Contract.

2.4.2. Response Instructions – General

2.4.2.1. Respondent shall submit two (2) indexed or bookmarked media containing electronic versions of the Response in Microsoft Word format (*.doc or *.docx) and/or Adobe Portable Document Format (*.pdf). The Response shall contain an organized, paginated table of contents corresponding to the sections and pages therein, and all pages shall be numbered.

2.4.2.2. The Response shall include all of the Respondent's responses to items listed below, as well as any assumptions and/or exceptions by the Respondent.

2.4.2.3. The Response shall be sealed and clearly marked with the specified Response due date and time and the title: CSD Digital Mail Imaging Services: Response Submission.

2.4.3. Response Instructions – Experience

2.4.3.1. For each of the following four (4) categories of work, Respondent shall provide a brief description, not to exceed one (1) single-sided page each, of no more than two (2) examples of processes or solutions that the Respondent has already implemented and currently provides to customers, and that the Respondent believes best demonstrate the Respondent's ability to meet the OAG's requirements as stated in the SOW. Such descriptions shall include, but not be limited to, information that demonstrates the Respondent's ability to meet or exceed requirements in this SOW regarding:

- a. Secure transportation, Secure facility, Secure document handling, Secure storage, Secure transmission of data over a network, and data sanitization, including Secure Destruction of Source Media
- b. Chain of Custody, tracking of Source and Output Media, from Check-out through on-site storage and scheduled Destruction of Source Media, including utilization of unique identifier to track Source Media and Output Media
- c. Application of Best Possible Image indicator
- d. Receipt and fulfillment of requests for return of Source Media (Hold-and-Return)

2.4.3.2. Respondent shall provide a brief description, not to exceed one (1) single-sided page each, of Respondent's existing or proposed internal processes, policies, procedures, and technology solutions that demonstrate the Respondent's ability to meet or exceed requirements in this SOW regarding:

- a. Method and type of Secure Destruction of Source Media, method and type of Secure data transmission, and method and type of Secure storage encryption
- b. Staffing, including background checks, training, monitoring, and supervision
- c. Quality Assurance, including equipment maintenance and calibration, defect resolution, monitoring and continuous improvement
- d. Reporting, audit trails and logging of activity

- 2.4.3.3. Respondent shall provide a brief description, not to exceed two (2) single-sided pages total, of how the Respondent meets or shall meet recognized industry standards (such as, ISO, AIIM, ANSI) for quality, performance, reliability, and security, that the Respondent believes are applicable to OAG's requirements as stated in the SOW.
- 2.4.3.4. Respondent shall provide a response to Form C, Business Continuity Questionnaire. Respondent may submit a current Business Continuity/Disaster Recovery Plan(s) relevant to the work described in this SOW to supplement Form C.
- 2.4.3.5. Respondent shall provide a brief description, not to exceed ten (10) single-sided pages total, of the facility and technology infrastructure the Respondent proposes to use in meeting the OAG's requirements as stated in the SOW. The description should include photographs, floor plans, physical address, description of physical and technical infrastructure, and other information, at the discretion of the Respondent, that may assist the OAG in assessing the Respondent's ability to meet the OAG's requirements as stated in the SOW.
- 2.4.3.6. Respondent shall provide a list and a brief description, not to exceed one-half (1/2) single-sided page each, of Participating Agencies and other public- or private-sector organizations to which the Respondent currently provides services.
- 2.4.3.7. Respondent shall provide a list of subcontractors, if any, that the Respondent proposes to employ in order to fulfill the OAG's requirements as stated in this SOW, as well as a brief description of the work the subcontractors(s) would perform.
- 2.4.3.8. Respondent may provide a brief description, not to exceed one (1) single-sided page each, of other services it provides that are not directly related to the OAG's requirements as stated in the SOW, but that the Respondent believes may assist the OAG in gaining a better understanding of the Respondent's overall experience and capabilities.
- 2.4.4. Response Instructions – Solution
- 2.4.4.1. Respondent shall provide a brief description, not to exceed ten (10) single-sided pages, of the proposed solution offered to the OAG as a result of this solicitation, including descriptions of existing solutions and proposed solutions that the Respondent would construct, assemble or otherwise implement in order to fulfill the requirements in this SOW.
- 2.4.4.2. Respondent may include alternative solutions other than those prescribed by the OAG in the SOW if the Respondent believes they will improve quality, reliability, performance or cost to the OAG.
- 2.4.5. Response Instructions – Other Requirements
- 2.4.5.1. Lobbying disclosure: Form A, Certification Regarding Lobbying (see Section [9.5.2.4.](#))
- 2.4.5.2. Proof of insurance: Respondent shall include proof of insurance as required by Section [9.5.5.1.](#)
- 2.4.6. Exceptions and Assumptions
- 2.4.6.1. Vendors shall explicitly set forth, using the format provided below, any assumptions regarding any part of this SOW, noting the specific SOW section number.

Section	Section Title	Assumption

2.4.6.2. Vendors shall explicitly set forth, using the format provided below, any exceptions regarding any part of this SOW noting the specific SOW section number. If there are no exceptions to this SOW, Vendors shall explicitly state that Vendor takes no exception to any part of this SOW.

Vendors are hereby on notice that OAG will take exceptions into account in reviewing proposals, and, further, that excessive or inappropriate exceptions may render a vendor's proposal nonresponsive and subject to rejection.

Section	Section Title	Exception	Proposed Language

2.4.7. Pricing Submission and HUB Compliance

2.4.7.1. Pricing Submission

Respondent shall submit two (2) indexed or bookmarked copies of media containing two (2) electronic copies of the Pricing Submission in Microsoft Word or Excel format (*.doc/*.docx or *.xls/*.xlsx) and Adobe Portable Document Format (*.pdf). Failure to submit a complete Pricing Submission may result in disqualification of the Response.

The Pricing Submission shall be sealed and clearly marked with the specified Response due date and time and the title: "CSD Digital Mail Imaging Services: Pricing Submission."

The Pricing Submission shall consist of the completed Form B, Pricing, which shall include all costs associated with any and all services to be provided. Respondents shall not modify the pricing line items on Form B, Pricing. In addition, Respondent shall indicate, together with the Pricing form, any changes made to the Respondent's HUB Subcontracting Plan (HSP) in comparison to the HSP submitted in their Response to the CCG.

The Pricing Submission shall be sealed and submitted separately from the Requirements Submission. No price information shall be included in any other portion of the Response. Any Response which fails to adhere to this requirement may be disqualified as non-responsive. Any price assumptions and/or price conditions document shall only be submitted in the Pricing Submission and not in the Requirements Submission.

2.4.7.2. HUB Continuing Performance

Any Contracts as a result of this SOW will include reporting responsibilities related to HUB subcontracting. After entering into a Contract as the result of their response to this SOW, Vendors may not change any subcontractor without submitting a revised HUB Subcontracting Plan.

2.4.8. OAG Rights

All submitted Responses become the property of the OAG. The OAG reserves the right to use any and all ideas presented in any response to the SOW. Selection or rejection of any Response does not affect this right.

The rights of the OAG include, but are not limited to:

1. Cancellation of the SOW at its sole discretion;
2. Suspension of the procurement process and issuance of SOW addenda;
3. Rejection, in whole or in part, of any and all Responses received in response to this SOW;
4. Waiver of administrative deficiencies and/or minor technicalities in Responses received;
5. Utilization of any and all ideas submitted in the Responses received;

6. Directing any Respondent to submit Response modifications addressing subsequent SOW amendments;
7. Elimination of any requirements that are not met by all Respondents upon notice to all parties submitting Responses;
8. Making typographical corrections to Responses, with the concurrence of the Respondent;
9. Changing computational errors with the written concurrence of the Respondent;
10. Requesting Respondents to clarify their Responses and/or submit additional information pertaining to their Response; and
11. Making an award without
 - a. requesting clarification of Responses,
 - b. allowing modifications of the Responses,
 - c. discussing and/or negotiating the Responses, or
 - d. requesting a Best and Final Offer (BAFO).

3. PROJECT AND CONTRACT MANAGEMENT

3.1. OAG Implementation Project Manager

The OAG will assign an Implementation Project Manager to this Contract. The Implementation Project Manager will work with the Awarded Vendor to develop, review and approve an implementation plan, processes and operating procedures, as well as to coordinate the start-up and integration of the Awarded Vendor's services with the OAG.

3.2. OAG Contract Manager

The OAG will assign a Contract Manager to this Contract. Identification of the Contract Manager and any changes to this assignment will be documented by Controlled Correspondence.

The OAG Contract Manager will have the authority to:

- sign Controlled Correspondence
- coordinate Quality Control reviews
- approve invoices
- coordinate meetings with the Awarded Vendor
- investigate complaints

The OAG Contract Manager will not have sole authority to agree to any:

- Contract amendment
- pricing change

3.3. OAG Operations Manager

The OAG will assign an Operations Manager to this Contract. Identification of the Operations Manager and any changes to this assignment will be documented by Controlled Correspondence. The Operations Manager shall serve as the day-to-day point of contact for any communication regarding operations.

3.4. Controlled Correspondence

In order to track and document requests for decisions and/or information pertaining to this Contract, and the subsequent response to those requests, the OAG and the Awarded Vendor shall use Controlled Correspondence. The OAG shall manage the Controlled Correspondence for this Contract. For each Controlled Correspondence document, the OAG shall assign a tracking number and the document shall be signed by the appropriate party's Contract Manager.

Controlled Correspondence shall not be used to change pricing or alter the terms of this Contract. Controlled Correspondence shall not be the basis of a claim for equitable adjustment of pricing. Any changes that involve pricing or the terms of this Contract must be effected by a Contract amendment. However, the Controlled Correspondence process may be used to document refinements and interpretations of the provisions of this Contract and to document the cost impacts of proposed changes.

Controlled Correspondence documentation shall be maintained by both parties in on-going logs and shall become part of the normal status reporting process. Any communication not generated in accordance with such process shall not be binding upon the parties and shall be of no effect.

3.5. Awarded Vendor Implementation Project Manager

3.5.1. The Awarded Vendor shall designate, via Controlled Correspondence, an Implementation Project Manager who will serve as the Awarded Vendor's point of contact for all communication regarding the implementation of services described in this SOW.

3.5.2. The Awarded Vendor's Implementation Project Manager shall work cooperatively with OAG personnel, and, specifically, the OAG Implementation Project Manager, to ensure smooth and efficient implementation of CSD Digital Mail Imaging services. This work shall include consulting with the OAG to determine goals, time frames, strategies/contingencies, procedures and resources for accomplishing the project.

3.5.3. The Awarded Vendor's Implementation Project Manager shall direct and coordinate the Awarded Vendor's resources to ensure that implementation of services progresses on schedule.

3.6. Awarded Vendor Contract Manager

3.6.1. The Awarded Vendor shall designate a Contract Manager who will serve as the Awarded Vendor's point-of-contact for all communication regarding the Contract, including all Controlled Correspondence, invoicing, production reporting, post-implementation support, and improvements to the Awarded Vendor's CSD Digital Mail Imaging Services.

3.6.2. Identification of the Awarded Vendor's Contract Manager and any changes to this assignment shall be documented by Controlled Correspondence. The Awarded Vendor shall provide a fourteen (14) calendar day advance notification in writing to the OAG Contract Manager of any changes in its Contract Manager.

3.6.3. The Awarded Vendor's Contract Manager shall have the authority to:

- make decisions regarding the deliverables required by this Contract
- sign Controlled Correspondence
- serve as the day to day point of contact
- coordinate Quality Control reviews
- coordinate meetings with the OAG
- investigate complaints

3.7. Status Reports

3.7.1. Unless otherwise agreed to by the OAG, the Awarded Vendor shall provide weekly, written status reports to the OAG during implementation. Status reports shall be submitted in electronic format.

3.7.2. Unless otherwise agreed to by the OAG, the Awarded Vendor shall meet quarterly with the OAG Contract Manager throughout the term of the Contract to discuss status, issues and other matters pertaining to the activities and services performed under this SOW.

4. ACTIVITIES

4.1. Implementation Requirements

4.1.1. Implementation Plan

4.1.1.1. The Awarded Vendor shall collaborate with the OAG to produce an implementation plan within twenty (20) Business Days following Contract Award.

4.1.1.2. The Awarded Vendor shall collaborate with the OAG to ensure that the implementation plan clearly describes all activities to be completed, the parties or individuals who will be responsible for completing the activities, all dependencies between activities, and the estimated start and completion date or duration of each activity.

4.1.1.3. The Awarded Vendor shall collaborate with the OAG to ensure that the implementation plan includes all processes for which the Awarded Vendor is responsible, including, but not limited to, Secure, comprehensive Chain of Custody processes for all Source Media and Output Media, throughout all stages of production, including Check-out, Check-in, Electronic Check-in, Transportation, Hold-and-Return Source Media, storage, incidence response, disaster recovery, business continuity, and Destruction. See Section [4.1.2.4](#), also.

4.1.2. Implementation

4.1.2.1. The Awarded Vendor shall provide, at no additional cost and within ten (10) Business Days following the Contract Award, either a local (Austin, Texas) telephone number or a toll free telephone number for the OAG to use for contacting the Awarded Vendor in reference to day-to-day operational matters.

4.1.2.2. The Awarded Vendor shall complete all required implementation activities and be ready to start production activities on the dates or within the durations specified in the approved implementation plan.

4.1.2.3. The implementation plan will be subject to final approval by the OAG.

4.1.2.4. Approval and Implementation of Processes

4.1.2.4.1. The Awarded Vendor shall obtain, prior to implementation of the process, the OAG's written approval via Controlled Correspondence of any process intended to satisfy requirements specified in this SOW.

4.1.2.4.2. The Awarded Vendor may begin implementing a process once the process has been approved by the OAG.

4.1.2.4.3. The Awarded Vendor shall obtain written acknowledgement via Controlled Correspondence from the OAG that all processes have been successfully implemented prior to the start of production activities.

4.1.2.5. The Awarded Vendor shall ensure that all required Criminal background reviews of Awarded Vendor's staff are completed as required in Section [9.5.5.4](#), prior to the start of production activities.

4.1.2.6. The OAG and the Awarded Vendor shall collaborate to complete all required training and orientation of Awarded Vendor's staff (see also Section [4.10](#).) prior to the start of production

activities.

- 4.1.2.7. The Awarded Vendor shall complete all implementation activities and be ready to begin Secure, production-level CSD Digital Mail Imaging services as described in this SOW within ninety (90) calendar days following Award, subject to change at the OAG's discretion.
- 4.1.2.8. The OAG makes no representations as to specific volumes of Source Media or date(s) for production activities to begin. The estimated volumes provided below are solely intended to provide potential production-level requirements to Respondents. The actual volumes will be determined by a number of factors, some of which are beyond the OAG's ability to control. The OAG will keep the Awarded Vendor apprised of revisions to these estimates, should they occur, for the duration of the Contract.

Source Media Volume Estimates: Based on current OAG business practice, the OAG's estimated average is seven thousand, five-hundred (7,500) single-sided pages of Source Media per Business Day.

4.1.3. End-to-End Testing

Awarded Vendor shall collaborate with the OAG to perform end-to-end testing of all processes to demonstrate that all processes have been successfully implemented prior to the start of production activities described in this SOW.

4.2. Testing and Documentation Requirements

4.2.1. Awarded Vendor shall create and provide to the OAG documentation of all proposed, existing or revised plans and processes that relate specifically to the work described in this SOW.

4.2.2. Awarded Vendor shall collaborate with the OAG to allow the OAG to verify, inspect, test or modify any plan or process prior to the start of production activities.

4.3. Document Tracking

4.3.1. Awarded Vendor shall maintain OAG Chain of Custody logs that record the receipt, movement and Destruction of all Source Media and Output Media for the duration of the Contract.

4.3.2. Awarded Vendor shall provide to the OAG on each Business Day a Chain of Custody report documenting, at a minimum, the following information:

- the date and time of Source Media Check-out at the MOC;
- the name(s) of Awarded Vendor's staff and MOC staff performing the Source Media Check-out;
- the name(s) of Awarded Vendor's staff transporting Source Media to the Awarded Vendor's facility;
- the date and time that Source Media arrives at the Awarded Vendor's facility;
- the name(s) of Awarded Vendor's staff verifying receipt of Source Media at the Awarded Vendor's facility;
- the name of Awarded Vendor's staff performing Capture of Source Media;
- the unique filenames assigned by the Awarded Vendor to the Output Media files created;
- the exact date and time (timestamp) each Output Media file, identified by its filename or its Unique Identifier, was created;
- the exact date and time (timestamp) that each Output Media file, identified by its filename or its Unique Identifier, was transmitted (via Electronic Check-in) to the CSD Image Repository;

- the exact date and time (timestamp) that each Output Media file, identified by its filename or its Unique Identifier, was purged from the Awarded Vendor's system; and
- the time and date that Hold-and Return Source Media, identified by its Unique Filename was Checked-in to the MOC.

4.3.3. Awarded Vendor shall provide a report regarding Destruction of Source Media containing, at a minimum, the following information within five (5) Business Days following Destruction (See also Section [8.2.5.](#), "Data Retention and Destruction"):

- the unique identifier of each Source Media Destroyed;
- the date of Electronic Check-in of corresponding Output Media;
- the date and time of Destruction; and
- the date and time that Source Media arrives at the Awarded Vendor's facility.

4.3.3.1. OAG will accept the Awarded Vendor's Chain of Custody logs in lieu of a "Certificate of Destruction for Contractors and Vendors" as verification of electronic data sanitization of Backup Files and copies of Output Media.

4.3.3.2. The format and method of delivery of the Destruction report shall be determined by the OAG and the Awarded Vendor during implementation.

4.4. Transportation

4.4.1. Awarded Vendor shall Check-in and Check-out Source Media at the MOC at least once per Business Day during normal hours of operation (see definition of Business Day). The scheduled time(s) shall be determined during implementation based on factors such as postal service delivery schedules and the OAG's ability to prepare Source Media for Check-out by the Awarded Vendor.

4.4.2. Awarded Vendor shall provide Secure Transportation of Source Media to and from the MOC for Check-in and Check-out of all Source Media.

4.5. Document Conversion Requirements

4.5.1. Awarded Vendor shall Capture all Source Media of the following sizes: letter, legal, envelope, postcard, standard photo sizes, and irregular (including torn) shapes and sizes not to exceed legal size (11 inches wide by 17 inches long).

4.5.2. Awarded Vendor shall Capture and deliver via Electronic Check-in to the CSD Image Repository one (1) uniquely named Output Media file for each corresponding Source Media item (typically, an envelope and its contents).

4.5.3. Awarded Vendor shall insert a separator sheet after each standard CSD form and other discrete, identifiable Source Media. Refer to Section [4.10](#) of this SOW regarding training of Awarded Vendor's staff on how to identify documents that will require separator sheets.

4.5.4. Awarded Vendor shall sequence the images in each Output Media file according to the sequence of pages in the corresponding Source Media.

4.5.5. Awarded Vendor shall Capture each side of double-sided Source Media, including envelopes.

4.5.5.1. Awarded Vendor shall not Capture blank pages.

4.5.6. Awarded Vendor shall create black and white images from black and white pages contained in Source Media.

4.5.7. Awarded Vendor shall create color images from color pages contained in Source Media.

4.5.8. The Output File Format for Output Media created by the Awarded Vendor shall be multipage TIFF,

three hundred (300) DPI. Additional Output File Format specifications, such as TIFF variant, compression, headers, and tags, will be determined during implementation.

4.5.9. A unique filename shall be applied to each Output Media as follows:

4.5.9.1. The unique filename shall include the CSD Destination code of the corresponding Source Media.

4.5.9.2. The unique filename shall include the Unique Identifier assigned by the OAG to the corresponding Source Media for tracking purposes.

4.5.9.3. The unique filename shall include one or more additional single-character codes where appropriate to indicate document attributes such as Hold-and-Return and Best Possible Image.

4.5.9.4. The proposed syntax for the Output Media filename is:

CSDDestinationCode_CSDUniqueIdentifier_AttributeCode(s).tiff.

4.5.10. Awarded Vendor shall provide a “Best Possible Image” indication on, or unambiguously associated with, any Output Media that does not meet OAG quality standards due to the condition or type of Source Media provided to the Awarded Vendor, and for which the Awarded Vendor cannot fully compensate.

The OAG will work with the Awarded Vendor to develop specific instructions for indicating “Best Possible Image” during implementation.

4.5.11. Awarded Vendor shall, within one (1) Business Day following Check-out, perform Capture and Electronic Check-in of Output Media for all Source Media received by the Awarded Vendor at Check-out.

4.6. Quality Control (QC) Requirements

4.6.1. Awarded Vendor shall inspect one-hundred percent (100%) of Output Media to verify that all document conversion requirements have been met as they are described in Section [4.5](#) of this SOW.

4.6.2. Awarded Vendor shall verify that one-hundred percent (100%) of Output Media delivered via the Electronic Check-in process was successfully transmitted to the CSD Image Repository before terminating the Electronic Check-in process for Source Media Captured during that Business Day.

4.6.3. Awarded Vendor shall adhere to ANSI/AIIM MS44 standards (as applicable) regarding “Recommended Practice for QC of Image Scanners.”

4.7. Document Handling, Replacement, and Destruction Requirements

4.7.1. OAG will organize Source Media according to CSD Destination prior to releasing it for Check-out by the Awarded Vendor.

4.7.1.1. OAG will clearly indicate the CSD Destination on Source Media using a four (4)-character, alphanumeric code (CSD Destination code).

4.7.2. Awarded Vendor shall perform Electronic Check-in of Output Media to the CSD Image Repository over a Secure data connection.

4.7.2.1. The Awarded Vendor shall provide the Secure network connection to be used. The specific method to be used by the Awarded Vendor for Secure transmission of Output Media will be determined during implementation.

- 4.7.3. The Awarded Vendor shall initiate and complete Electronic Check-in of Output Media to the CSD Image Repository once per Business Day during a regularly-scheduled Electronic Check-in window. The timing and duration of the Electronic Check-in window will be determined during implementation.
- 4.7.3.1. After the Electronic Check-in window time period has ended, and prior to the next regularly-scheduled Electronic Check-in window, OAG will remove all Output Media Checked-in by the Awarded Vendor during the Electronic Check-in window that appear to comply with the OAG's standards for naming, type and format.
- 4.7.3.2. Awarded Vendor shall verify, prior to Electronic Check-in of each Business Day's Output Media, that all of the previous Business Day's Output Media was removed from the Check-in location of the CSD Image Repository.
- 4.7.3.2.1. If any portion of the previous Business Day's Output Media is present in the Check-in location of the CSD Image Repository at the time the Awarded Vendor initiates a scheduled Electronic Check-in of Output Media, the Awarded Vendor shall suspend Electronic Check-in, notify the OAG, and await further instructions.
- 4.7.3.3. The OAG will reject Checked-in Output Media found in the Check-in location of the CSD Image Repository that does not appear to meet the OAG's standards for naming, type and format. OAG will place all rejected Output Media in a designated folder in the CSD Image Repository.
- 4.7.3.3.1. If any portion of the previous Business Day's Output Media is present in the CSD Image Repository folder for rejected Output Media at the time the Awarded Vendor initiates a scheduled Electronic Check-in, the Awarded Vendor shall remove the rejected Output Media, remedy it, and re-submit it via Electronic Check-in during the next regularly-scheduled Electronic Check-in window.
- 4.7.4. Certain Source Media received by the OAG will contain Documents that must not be Destroyed. Awarded Vendor shall designate such Source Media as Hold-and-Return Source Media and return it to the OAG after Capture.
- 4.7.5. Source Media may inadvertently contain Federal Tax Information (FTI); when this occurs, the Awarded Vendor shall not Capture the Source Media and shall return the Source Media to the MOC. Refer to Section [4.10](#) of this SOW regarding training of Awarded Vendor's staff regarding identification and handling of FTI.
- 4.7.6. Source Media may occasionally contain forms of payment (e.g., cash, check, money order); when this occurs, the Awarded Vendor shall complete the Mailed Payments Log (Form 1731). See Attachment 1, CSD Mailed Payments Log (Vendor Version). Refer to Section [4.10](#) of this SOW regarding training of Awarded Vendor's staff on handling payments.
- 4.7.6.1. The Mailed Payments Log must be completed legibly for data entry purposes using a dark-ink, non-smearing, non-erasable and non-felt tip pen.
- 4.7.7. Awarded Vendor shall, on the first Business Day of each calendar month, Destroy all Source Media that has been in the Awarded Vendor's possession for more than thirty (30) calendar days following Capture and Electronic Check-in of the corresponding Output Media to the CSD Image Repository.
- 4.7.8. Awarded Vendor shall Securely maintain Backup Files of all Output Media for two (2) Business Days following Electronic Check-in of the Output Media.
- 4.7.8.1. Awarded Vendor shall re-transmit Backup Files, via Electronic Check-in, at the OAG's request.
- 4.7.8.2. Awarded Vendor shall Destroy Backup Files immediately after two (2) Business Days have passed following successful Electronic Check-in of the corresponding Output Media.
- 4.7.9. Awarded Vendor shall Destroy all other copies of Output Media (excluding Backup Files) stored in Awarded Vendor's system(s) following successful Electronic Check-in of corresponding Output Media.

4.8. Hold-and-Return Handling

4.8.1. Awarded Vendor shall provide the OAG with a process for handling all Hold-and-Return Source Media.

4.8.1.1. The OAG will work with the Awarded Vendor during implementation to develop specific instructions for identifying and handling Hold-and-Return Source Media.

4.8.1.2. The Hold-and-Return process shall use the unique identifier assigned by the OAG to identify, reference, and track all Hold-and-Return Source Media.

4.8.1.3. The Hold-and-Return process shall permit the OAG to designate any Source Media as Hold-and-Return before or after the corresponding Output Media has been received by the OAG.

4.8.1.3.1. Following receipt of Output Media, OAG staff may designate any Source Media as Hold-and-Return, regardless of whether or not it is a known type of Hold-and-Return Source Media.

4.8.1.3.2. If the OAG designates a Source Media as Hold-and-Return after the Source Media has been Destroyed by the Awarded Vendor, the Awarded Vendor shall respond to the OAG with notification of the time and date the Source Media was Destroyed.

4.8.1.4. The Awarded Vendor's staff shall identify and indicate, at the time of Capture, known types of Hold-and-Return Source Media, regardless of whether or not the OAG has placed a Hold-and-Return indicator on the Source Media. Refer to Section [4.10](#) of this SOW regarding training of Awarded Vendor's staff on identifying Hold-and-Return Source Media.

4.8.2. Source Media that the Awarded Vendor determines cannot be successfully Captured due to size, format, medium, physical condition or other valid reason, shall be identified and handled by the Awarded Vendor as Hold-and-Return Source Media.

4.8.3. Source Media resulting in Output Media that the Awarded Vendor designates as "Best Possible Image" shall be identified and handled by the Awarded Vendor as Hold-and-Return Source Media.

4.8.4. The Awarded Vendor shall return all Hold-and-Return Source Media to OAG within one (1) Business Day following the day it was designated as Hold-and-Return Media by the Awarded Vendor or by the OAG.

4.8.4.1. Awarded Vendor shall be required to expedite the return of Hold-and-Return Source Media within less than one (1) Business Day following Check-out, at the discretion of the OAG, with the expedited time and method of delivery to be agreed upon by the OAG and the Awarded Vendor at the time of the OAG's request to expedite the return of Hold-and Return Source Media.

4.9. Document and Environment Security Requirements

4.9.1. Awarded Vendor shall provide a Secure environment for all Source Media and Output Media while in the Awarded Vendor's possession until they are either delivered to the OAG or Destroyed.

4.9.2. Awarded Vendor shall ensure that all Source Media and Output Media are protected at all times from (but not limited to) damage, alteration, unauthorized viewing and loss, whether as a result of exposure to the elements, theft, security breach or other cause.

4.9.3. Awarded Vendor shall ensure that no Source Media is opened or viewed while in transit.

4.9.4. Awarded Vendor shall ensure that no Source Media is left unattended or unsecured, for any reason, while in transit.

4.9.5. Awarded Vendor shall not print Output Media without the OAG's express, prior written consent.

4.10. Training Requirements

4.10.1. Awarded Vendor shall maintain a log of employees' attendance of training required by the OAG, including name of the person trained, course completed, signature of the trainee, and dates completed, and provide the log to the OAG upon request.

4.10.2. Prior to the start of production activities, the OAG will provide Privacy, Confidentiality and Security training to all Awarded Vendor's staff who may have access to Source Media or Output Media. This training will include important information regarding transportation, IRS documents, recusal, and non-disclosure.

4.10.3. OAG may, at its discretion, require the Awarded Vendor's staff to receive additional Privacy, Confidentiality and Security training to Awarded Vendor's staff under, but not limited to, the following circumstances:

- New staff is hired by the Awarded Vendor
- Significant changes occur in OAG Privacy, Confidentiality and Security policies
- Yearly, or as otherwise required by Federal, State or OAG policy

4.10.4. Prior to the start of production activities, Awarded Vendor's staff shall attend training provided by OAG regarding how to identify Hold-and-Return Source Media, document that require insertion of separator sheets, and other Documents that may require special handling. Subsequent training sessions shall be coordinated between the OAG and the Awarded Vendor as necessary.

4.10.5. Prior to the start of production activities, Awarded Vendor's staff shall attend training provided by OAG regarding how to handle payments, such as cash, checks, or money orders. The training session is estimated to be two (2) hours in length and should accommodate twenty-five (25) participants. Subsequent training sessions shall be coordinated between the OAG and the Awarded Vendor as necessary.

5. INVOICING AND PAYMENT INFORMATION

5.1. Invoice Submittal

5.1.1. The Awarded Vendor shall describe the invoice items in the same fashion as in Form B, Pricing. Each invoice presented must include Awarded Vendor name, Tax Identification Number, address, contact phone number, the Contract number, and identification of services provided (including Form B, Pricing Line Item number) by date, and the unit and extended price for each item.

5.1.2. Invoices shall be submitted to:

VIA Postal Service:

Accounts Payable Section
Office of the Attorney General
Accounting Division, Mail Code 003
Post Office Box 12548
Austin, Texas 78711-2548

VIA Fax to the Accounting Division:

(512) 397-1645

VIA email attachment to the Accounting Division:

invoices@texasattorneygeneral.gov

5.1.3. Payment will be made upon submission of an invoice which shall be submitted in accordance with the specifications of this SOW. The OAG may decline to pay any invoice for services or provided items not properly billed to the OAG in the next three billing cycles immediately following the month in which Awarded Vendor provided the services or items. Awarded Vendor shall provide additional information and/or documentation as the OAG reasonably may require. Awarded Vendor shall respond to any OAG request for additional information and/or documentation to support payment within five (5) calendar days of receipt. The OAG shall not be liable for any performances rendered or obligations incurred on behalf of the OAG by the Awarded Vendor before execution of a PO. The OAG shall process a properly prepared invoice for payment in accordance with the state procedures for issuing state payments and the Texas Prompt Payment Act.

5.2. Implementation Invoice(s)

The Awarded Vendor may invoice the OAG upon the OAG's approval of the Awarded Vendor's successful completion of the implementation requirements set forth in Section [6.1](#).

6. ACCEPTANCE PROCESS AND CRITERIA

6.1. Work Performed During Implementation

6.1.1. Implementation Plan (see also Section [4.1.1.](#))

6.1.1.1. Awarded Vendor shall successfully demonstrate to the OAG that plans for all processes necessary for the Awarded Vendor to meet the requirements of this SOW have been submitted to the OAG for approval.

6.1.1.2. Awarded Vendor shall successfully complete an implementation plan with the OAG.

6.1.2. Implementation (see also Section [4.1.2.](#))

6.1.2.1. Awarded Vendor shall successfully demonstrate to the OAG that all processes approved by the OAG have been implemented and that the Awarded Vendor is ready to begin operation.

6.1.2.2. Awarded Vendor shall successfully demonstrate to the OAG that the Awarded Vendor's facilities comply with the Awarded Vendor's claims made at the time of Award regarding its facilities.

6.1.2.3. Awarded Vendor shall successfully demonstrate to the OAG that each of the Awarded Vendor's staff members complies with the Awarded Vendor's claims made at the time of Award regarding its staff and that all criminal background check and training requirements have been met.

6.1.2.4. Awarded Vendor shall successfully demonstrate to the OAG that the Awarded Vendor is capable of producing Output Media from Source Media in a manner and in quantities consistent with the requirements described in this SOW, and is able to perform Electronic Check-in of Output Media.

6.1.3. End-to-End Testing (see also Section [4.1.3.](#))

6.1.3.1. Awarded Vendor shall collaborate with the OAG to successfully demonstrate through comprehensive end-to-end testing that all processes necessary to begin operations have been implemented and are fully functional.

6.2. Work Performed During Operations

6.2.1. Output Media produced by the Awarded Vendor shall be considered accepted by the OAG on the third (3rd) Business Day following Electronic Check-in of the Output Media, unless the OAG has made timely communication to the contrary, including, but not limited to, a Hold-and-Return request, request for re-transmission, or notification related to performance measures, remedies, or other terms and conditions of the Contract, in which case the OAG will notify the Awarded Vendor when the Output Media is considered accepted.

6.2.2. Source Media designated for Hold-and-Return by the Awarded Vendor shall be deemed as having been accepted by the OAG on the third (3rd) Business Day following successful Check-in of the Hold-and-Return Source Media, unless the OAG has made timely communication to the contrary, including, but not limited to, notification related to performance measures, remedies, or other terms and conditions of the Contract, in which case the OAG will notify the Awarded Vendor when the Hold-and-Return Source Media is considered accepted.

6.2.3. Reports required by the OAG from the Awarded Vendor shall be deemed as having been accepted by the OAG on the thirtieth (30th) Calendar Day following successful delivery thereof, unless the OAG has made timely communication to the contrary, including, but not limited to, notification related to performance measures, remedies, or other terms and conditions of the Contract, in which case the OAG will notify the Awarded Vendor when the Reports are considered accepted.

7. PERFORMANCE MEASURES AND REMEDIES

7.1. Performance Measures

7.1.1. The Awarded Vendor shall perform all services under this SOW in accordance with the provisions, terms and conditions set forth therein. The Awarded Vendor must meet all requirements (including, but not limited to, accuracy, completion, timeliness and reporting standards) and provide all deliverables as prescribed in the SOW.

7.1.2. During the implementation period, performance will be measured by the Awarded Vendor's adherence to the approved implementation plan schedule and successful completion of work as described in Section [6.1](#).

7.1.3. During the operational period and for the duration of the Contract, the OAG will collect and monitor data regarding the following activities to ensure that specific, measurable requirements are consistently being met:

7.1.3.1. Quantity of Source Media received by the Awarded Vendor (Check-out) vs. quantity of Output Media transmitted to the CSD Image Repository (Electronic Check-in) (see Sections [4.5.1](#), [4.5.2](#), and [4.8.1](#)).

7.1.3.2. Timely, Secure Check-in and Check-out of Source Media according to scheduled Check-out time(s), per occurrence (see Section [4.4.1](#)).

7.1.3.3. Timely, Secure Electronic Check-in of Output Media to the CSD Image Repository by the Awarded Vendor, per occurrence (see Section [4.7.3](#)).

7.1.3.4. Frequency and reason for rejection of Output Media in the CSD Image Repository that does not meet OAG's technical requirements or specifications (such as corrupt file, invalid file name, or missing pages) (see Section [4.7.3.3](#)).

7.1.3.5. Quantity of Source Media returned to the MOC by the Awarded Vendor (Check-in) for any reason, including Hold-and Return, "Best Possible Image" and "cannot be successfully Captured", per occurrence (see Sections [4.7](#) and [4.8](#)).

7.1.3.6. Creation and Check-in of Backup Files, per occurrence (see Section [4.7.8](#)).

7.1.3.7. Scheduled date of Destruction of Source Media vs. actual date of Destruction, per occurrence (see Section [4.7.7](#)).

7.1.3.8. Volume of requests for Hold-and Returns due to poor quality Output Media produced by the Awarded Vendor, per occurrence (see Section [4.6.1](#)).

7.1.3.9. Timely, Secure identification of payments received in Source Media, appropriately forwarded by the Awarded Vendor (see Section [4.7.6](#)).

- 7.1.3.10. Inappropriate use of the “Best Possible Image” attribute, such as to avoid addressing Quality Assurance issues that are not, in fact, attributable to the quality of Source Media (see Section [4.5.10](#)).
- 7.1.3.11. Elapsed time per month for Awarded Vendor to resolve any of the following: deviations from scheduled Check-out, Check-in, and Electronic Check-in (see Sections [4.4.1](#) and [4.7.3](#)); inability to reconcile the quantity of Source Media vs. Output Media (see Sections [4.5.1](#), [4.5.2](#), and [4.8.1](#)); erroneous application of “Best Possible Image” and “cannot be successfully Captured” attributes (see Sections [4.5.10](#) and [4.8.2](#)); image quality issues attributable to Awarded Vendor’s equipment or staff (see Section [4.6](#)); and failure to identify and forward payments in a timely manner (see Section [4.7.6](#)).
- 7.1.3.12. The OAG may, at any time and without prior notice, perform audits and inspections of Awarded Vendor’s processes, policies, procedures, activities, work products, facilities, equipment, vehicles, network and staff to determine Awarded Vendor’s compliance with all OAG requirements.
- 7.1.3.13. The OAG may employ its own or a third parties’ equipment to produce images from Source Media to perform a comparative analysis of the quality of Output Media produced by the Awarded Vendor.

7.2. Remedies

- 7.2.1. The remedy for failure to perform services according to a provision, term or condition will be subject to the nature and extent of the non-compliance. The OAG may apply one (1) or more of the remedies defined herein in response to non-compliance by the Awarded Vendor. If the Awarded Vendor’s performance continues to be unacceptable, the OAG may further exercise any available remedy at law or in equity, up to and including cancellation of the Contract.
- 7.2.2. Before implementing any remedy for failure to perform services, the OAG will issue a written demand via Controlled Correspondence and provide the Awarded Vendor a reasonable period of time to achieve compliance.
- 7.2.2.1. The OAG will allow the Awarded Vendor a minimum of one (1) Business Day to remedy any failure to perform regarding lost, delayed, missing, damaged or otherwise unusable or unavailable Source Media or Output Media.
- 7.2.2.2. The OAG will allow the Awarded Vendor a minimum of five (5) Business Days to remedy any failure to perform regarding deviations from timeliness of Check-in, Check-out, or Destruction.
- 7.2.2.3. The OAG will allow the Awarded Vendor a minimum of ten (10) Business Days to remedy any Quality Assurance issues regarding processes, policies or procedures that the OAG has identified through an audit or inspection of the Awarded Vendor’s facilities or work products.
- 7.2.3. Subject to the nature and extent of the non-compliance, the OAG may withhold up to fifteen percent (15%) of payments due the Awarded Vendor until compliance is achieved. The OAG will pay the Awarded Vendor the withheld amounts, together with next regular monthly payment to the Awarded Vendor, after the Awarded Vendor has successfully demonstrated that compliance has been achieved.
- 7.2.4. If the Successful Respondent does not demonstrate that compliance has been achieved within the period of time allowed by the OAG, the OAG may require the Awarded Vendor to forfeit the corresponding amounts withheld by the OAG. The OAG will provide notice of such forfeiture via Controlled Correspondence. The OAG may continue the process of issuing written demands, withholding payment, and requiring forfeiture of withheld amounts, until the Awarded Vendor demonstrates to the OAG that compliance has been achieved.

8. INFORMATION PROTECTION PROVISIONS

8.1. General

8.1.1. Survival of Provisions

8.1.1.1. Perpetual Survival and Severability

8.1.1.1.1. OAG rights and privileges applicable to OAG Data shall survive expiration or any termination of this Contract, and shall be perpetual.

8.1.1.1.2. As an exception to the foregoing perpetual survival, if certain OAG Data become publicly known and made generally available through no action or inaction of Awarded Vendor, then Awarded Vendor may use such publicly known OAG Data to the same extent as any other member of the public.

8.1.1.1.3. If any term or provision of this contract, including these Information Protection Provisions, shall be found to be illegal or unenforceable, it shall be deemed independent and divisible, and notwithstanding such illegality or unenforceability, all other terms or provisions in this Contract, including these Information Protection Provisions, shall remain in full force and effect and such term or provision shall be deemed to be deleted.

8.1.2. Applicability

8.1.2.1. References in the Information Protection Provisions

8.1.2.1.1. All references to “OAG” shall mean the Office of the Attorney General.

8.1.2.1.2. All references to “OAG-CSD ISO” shall mean the Office of the Attorney General-Child Support Division Information Security Officer.

8.1.2.1.3. All references to “Contractor” shall mean [business name and address of Awarded Vendor].

8.1.2.1.4. All references to “Contractor’s Agents” shall mean Contractor’s officials, employees, agents, consultants, subcontractors, and representatives, and all other persons that perform Contract Services on Contractor’s behalf.

8.1.2.1.5. All references to “Contract Services” shall include activities within the scope of the executed Contract.

8.1.2.1.6. All references to “OAG Data” shall mean all data and information (i) conveyed to Contractor, whether intentionally or unintentionally, by or on behalf of OAG, (ii) obtained, developed, or produced by Contractor in connection with this contract, or (iii) to which Contractor has access in connection with provision of the Contract Services.

8.1.2.1.7. All references to “OAG Customers” shall mean any person or entity that delivers, receives, accesses, or uses OAG Data.

8.1.2.1.8. The term "Security Incident" means an occurrence or event where the confidentiality, integrity or availability of OAG Data may have been compromised and includes, without limitation, a failure by Contractor to perform its obligations under Section [8.2](#), Data Security, and Section [8.3](#), Physical and System Security, subsections below.

8.1.2.2. Inclusion in all Subcontracts

The requirements of these confidentiality and security provisions shall be included in, and apply to, all subcontracts and any agreements Awarded Vendor has with anyone performing Contract Services on Contractor’s behalf.

8.1.2.3. Third Parties

This Contract is between Contractor and the OAG, and is not intended to create any independent cause of action by any third party, individual, or entity against OAG or Contractor.

8.1.3. Termination for Non-Compliance

In the event that either Contractor or Contractor's Agent fails to comply with any of the Information Protection provisions, OAG may exercise any remedy, including immediate termination of this contract.

8.1.4. Personnel Briefings Training and Acknowledgments

8.1.4.1. Contractor shall ensure that all persons having access to data obtained from OAG Systems are thoroughly briefed on related security procedures, restricted usage, and instructions requiring their awareness and compliance. Contractor's Agents accessing OAG Data must complete OAG required security training and execute any OAG required security agreements, acknowledgments or certifications. The OAG Contract Manager shall provide direction to the Contractor regarding the acquiring of any necessary access, completion of required security training and execution of required security agreements, acknowledgments and certifications.

8.1.4.2. Contractor shall provide annual reorientation sessions and all of Contractor's Agents that perform or are assigned to perform Contract Services shall re-execute, and/or renew their acceptance of, all applicable security documents to ensure that they remain current regarding all applicable security requirements.

8.1.5. Key Person Dependence or Collusion

Contractor shall protect against any key-person dependence or collusion by enforcing policies of separation of duties, restricted job responsibilities, audit logging, and job rotation.

8.2. Data Security

8.2.1. Rights in OAG Data

Contractor and Contractor's Agents possess no special right to access, use or disclose OAG Data as a result of Contractor's contractual or fiduciary relationship with the OAG. As between the OAG and the Contractor, all OAG Data shall be considered the property of OAG and shall be deemed confidential. Contractor hereby irrevocably assigns, transfers, and conveys, and shall cause Contractor's Agents to irrevocably assign, transfer, and convey to OAG without further consideration all of its and their right title and interest to OAG Data. Upon request by OAG, Contractor shall execute and deliver and shall cause Contractor's Agents to execute and deliver to OAG any documents that may be necessary or desirable under any law to preserve or enable OAG to enforce its rights with respect to OAG Data.

8.2.2. Use of OAG Data

8.2.2.1. OAG Data have been, or will be, provided to Contractor and Contractor's Agents solely for use in connection with providing the Contract Services. Re-use of OAG Data in any form is not permitted. Contractor agrees that it will not access, use or disclose OAG Data for any purpose not necessary for the performance of its duties under this contract. Without OAG's approval (in its sole discretion), neither Contractor nor Contractor's Agents shall: (i) use OAG Data other than in connection with providing the Contract Services; (ii) disclose, sell, assign, lease, or otherwise provide OAG Data to third parties, including any local, state, or Federal legislative body; (iii) commercially exploit OAG Data or allow OAG Data to be commercially exploited; or (iv) create, distribute, or use any electronic or hard copy mailing list of OAG Customers.

8.2.2.2. In the event of any unauthorized disclosure or loss of OAG Data, Contractor shall immediately comply with the Notice subsection of the Security Incidents subsection set forth below. Contractor or Contractor's Agents may, however, disclose OAG Data to the extent required by law or by order of a court or governmental agency; provided that Contractor shall give OAG, and shall cause Contractor's Agents to give OAG, notice as soon as it or they are aware of the requirement; and use its or their best efforts to cooperate with OAG if OAG wishes to obtain a protective order or otherwise protect the confidentiality of such OAG Data. OAG reserves the right to obtain a protective order or otherwise protect the confidentiality of OAG Data.

8.2.3. Protection of OAG Data

Contractor shall engage in a continuous cycle of process improvement and vigilance to assess risks, monitor and test security protection, and implement change to protect OAG Data. Contractor agrees to perform such continuous process improvement and to upgrade its security protection during the term of this contract.

8.2.4. Statutory, Regulatory and Policy Compliance

Contractor agrees to comply with all OAG policies, standards and requirements, state and federal statutes, rules, regulations, and standards regarding the protection and confidentiality of OAG Data, for which it has received written notice, as currently effective, subsequently enacted or as may be amended. The existing requirements that are applicable to Contractor's obligations under this contract are included in this Contract. Contractor shall also comply with any requirements set forth in Section 9.0, "Computer System Security" of the IRS Publication 1075 (Rev. 12-2013) and Attachment 4 to this Contract: "United States Internal Revenue Service Requirements for the Safeguarding of Federal Tax Information Including Federal Tax Returns and Return Information".

8.2.5. Data Retention and Destruction

8.2.5.1. Within thirty (30) Business Days of Contract award, Contractor and OAG shall develop, and mutually agree upon, a detailed schedule for the retention and possible destruction of OAG Data. The schedule will be based upon the Contract Services being performed and the Contractor's limited authorization to access, use, and disclose OAG Data. Subsequent to developing and agreeing upon that schedule, Contractor shall:

1. Retain and destroy OAG Data in accordance with the detailed schedule for its retention and destruction (According to OAG Data Sanitization standards);
2. Destroy or purge OAG Data in a manner consistent with state policy and Federal regulations for destruction of private or confidential data and in such a way so that the Data are unusable and irrecoverable;
3. Destroy all hard copy OAG Data by shredding to effect 5/16 inch wide or smaller strips and then either incinerating or pulping the shredded material; and
4. Within five calendar (5) days (excluding weekends and federal holidays) of destruction or purging, provide the OAG with a completed OAG-Child Support Division "Certificate of Destruction for Contractors and Vendors," a copy of which is attached hereto and included herein (Attachment 2).

8.2.5.2. In the event of contract expiration or termination for any reason, Contractor and Contractor's Agents shall completely purge all OAG Data from the information systems of Contractor and Contractor's Agents and no OAG Data will be retained by the Contractor. All hard-copy OAG Data shall (in accordance with the detailed retention schedule agreed to by Contractor and OAG under Section [8.2.5.1](#) above) be destroyed. If immediate purging of all data storage components is not possible, the Contractor agrees that any OAG Data remaining in any storage component will be protected to prevent unauthorized disclosures.

8.2.5.2.1. Within twenty (20) Business Days of contract expiration or termination, Contractor shall provide OAG with a signed statement detailing the nature of the OAG Data retained, type of storage media, physical location(s), and any planned destruction date.

8.2.5.3. In its sole discretion, the OAG may waive notification requirements or request reasonable changes to the detailed schedule for the retention and destruction of OAG Data.

8.2.6. Requests to Contractor for Confidential or Public Information

Contractor and Contractor's Agents expressly do not have any actual or implied authority to determine whether any OAG Data are public or exempted from disclosure. Tex. Gov't Code Chapter 552 defines the exclusive mechanism for determining whether OAG Data are subject to public disclosure. Contractor is not authorized to respond to public information requests on behalf of the OAG. Contractor agrees to forward to the OAG, by facsimile within one (1) business day from receipt all request(s) for information associated with the Contractor's services under this contract. Contractor shall forward any information requests to:

OAG Public Information Coordinator
Fax (512) 494-8017

8.3. Physical and System Security

8.3.1. General/Administrative Protections

8.3.1.1. At all times Contractor shall be fully responsible to OAG for the security of the storage, processing, compilation, or transmission of all OAG Data to which it has access, and of all equipment, storage facilities, and transmission facilities on which or for which such OAG Data are stored, processed, compiled, or transmitted.

8.3.1.2. The Contractor (and Contractor's Agents) shall develop and implement internal protection systems, including information security access lists and physical security access lists (the "access protection lists"), designed to protect OAG Data in accordance with applicable law and the provisions for Data Security, Physical Security, and Logical/Information System Protections contained in this contract. The access protection lists shall document the name and other identifying data for any individual authorized to access, use or disclose OAG Data, as well as any special conditions and limitations applicable to each authorization.

8.3.1.2.1. The Contractor shall remove individuals from or change the access rights of individuals on the applicable access protection list immediately upon such individual no longer requiring certain access. At least monthly, the Contractor shall review and update its access protection lists and ensure that the access protection lists accurately reflect the individuals and their access level currently authorized. At least monthly, the Contractor shall report the results of these reviews and access changes to the OAG Contract Manager.

8.3.1.2.2. The OAG shall have the right to review the Contractor's internal protection systems and access protection lists for all areas of the work site(s). The OAG may, with or without cause, and without cost or liability, revoke or deny any or all authorizations of individuals performing services under this Contract. If any authorization is revoked or denied by OAG, then Contractor shall immediately use its best efforts to assist the OAG in preventing access, use or disclosure of OAG Data and the Contractor shall be given written notice of the denial.

8.3.1.2.3. OAG, in its sole discretion and without consulting Contractor, may immediately terminate OAG system access for anyone performing services under this contract.

- 8.3.1.2.4. Contractor shall immediately notify the OAG Contract Manager when any person Contractor authorized to access OAG Data is no longer authorized to have such access. This notice includes re-assigned or terminated individuals.
- 8.3.1.3. The Contractor's physical access security and logical access security systems must track and log all access attempts and failures. The access security systems must produce access logs on request. These logs must identify all access failures and breaches. Notwithstanding anything to the contrary in this Contract, the physical access and logical access security systems logs for any particular calendar year must be retained for a period of seven (7) calendar years after the last calendar day of the calendar year in which they were created. Thus a log created on January 1, 2007 may be disposed of, with all other systems access logs created in 2007, on January 1, 2015. All physical access and logical access security systems logs must be stored to electronic media. Any stored log must be produced for viewing access and copying upon request of the OAG within five (5) business days of the request.
- 8.3.1.4. Contractor shall maintain appropriate audit trails to provide accountability for use and updates to OAG Data, charges, procedures, and performances. Audit trails maintained by Contractor shall, at a minimum, identify the supporting documentation prepared by Contractor to permit an audit of the system by tracing the activities of individuals through the system. Contractor's automated systems must provide the means whereby authorized personnel have the ability to audit and to verify contractually required performances and to establish individual accountability for any action that can potentially cause access to, generation of, or modification of OAG Data. Contractor agrees that Contractor's failure to maintain adequate audit trails and corresponding documentation shall create a presumption that the services or performances were not performed.
- 8.3.2. Physical Security
- 8.3.2.1. The computer site and related infrastructures (e.g. information system servers, protected interface equipment, associated peripherals, communications equipment, wire closets, patch panels, etc.) must have physical security that at all times protects OAG Data against any unauthorized access to, or routine viewing of, computer devices, access devices, and printed and stored data.
- 8.3.2.2. Data accessed shall always be maintained in a secure environment (with limited access by authorized personnel both during work and non-work hours) using devices and methods such as, but not limited to: alarm systems, locked containers of various types, fireproof safes, restricted areas, locked rooms, locked buildings, identification systems, guards, or other devices reasonably expected to prevent loss or unauthorized removal of manually held data. Contractor shall also protect against unauthorized use of passwords, keys, combinations, access logs, and badges.
- 8.3.2.3. The Contractor agrees that the systems operation room (which houses network equipment, servers and other centralized processing hardware) shall be accessible only by authorized IT personnel or executive management.
- 8.3.2.4. In situations such as remote terminals, or office work sites where all of the requirements of a secure area with restricted access cannot be maintained, the equipment shall receive the highest level of protection. This protection must include (where communication is through an external, non-organization-controlled network [e.g., the Internet]) multifactor authentication that is compliant with NIST SP 800-63, Electronic Authentication Guidance level 3 or 4, and shall be consistent with Section 4.7 "Telework Locations" and Section 9.3.11.9 "Alternate Worksite (PE-17)" of IRS Publication 1075 (Rev. 12-2013).
- 8.3.2.5. Contractor shall protect information systems against environmental hazards and provide appropriate environmental protection in facilities containing information systems.

8.3.3. Logical/Information System Protections

8.3.3.1. The Contractor shall take all reasonable steps to ensure the logical security of all information systems used in the performance of this Contract, including:

1. Independent oversight of systems administrators and programmers;
2. Restriction of user, operator, and administrator accounts in accordance with job duties;
3. Authentication of users to the operating system and application software programs;
4. Contractor shall adhere to OAG-approved access methods, and the protection and use of unique identifiers such as user identifications and passwords;
5. Contractor shall have an authorization process for user access and privileges. Any access not granted is prohibited;
6. Contractor shall maintain an access protection list that details the rights and privileges with respect to each such user;
7. Audit trails for user account adds, deletes, and changes, as well as, access attempts and updates to individual data records; and
8. Protection to prevent unauthorized processing in or changes to software, systems, and OAG Data in the production environment.

8.3.3.2. Contractor shall implement protection for the prevention, detection and correction of processing failure, or deliberate or accidental acts that may threaten the confidentiality, availability, or integrity of OAG Data.

8.3.3.3. Contractor shall implement counter-protection against malicious software on Contractor's internal systems used in contract performance.

8.3.3.4. Contractor shall ensure that relevant Security Incidents are identified, monitored, analyzed, and addressed.

8.3.3.5. Contractor shall apply a high-level of protection toward hardening all security and critical server communications platforms and ensure that operating system versions are kept current.

8.3.3.6. Contractor shall adhere to mutually agreed upon procedures for authorizing hardware and software changes, and for evaluation of their security impact.

8.3.3.7. Contractor shall institute a process that provides for immediate revocation of a user's access rights and the termination of the connection between systems, if warranted by the nature of any Security Incident.

8.3.4. Encryption

8.3.4.1. OAG Data must be encrypted while at rest on any media (e.g., USB drives, laptops, workstations, and server hard drives), in transmission, and during transport (i.e. the physical moving of media containing OAG Data). OAG Data must be encrypted using current FIPS validated cryptographic modules. The OAG will specify the minimum encryption level necessary. Any change to this minimum encryption level will be communicated in writing to the Contractor by the OAG Contract Manager. The Contractor shall adhere to mutually agreed upon procedures for data transmission.

8.3.4.2. OAG Data are not allowed on mobile/remote/portable storage devices; nor may storage media be removed from the facility used by Contractor. Contractor may submit, to the OAG Contract Manager, a written request for an exception to these prohibitions. A granted exception will be communicated in writing to the Contractor by the OAG Contract Manager. If OAG finds it necessary to allow storage media to be removed from a facility used by Contractor, OAG will specify the circumstance(s) under which storage media may be removed. This prohibition does not apply to Contractor Information Systems backup procedure. Contractor Information Systems backup procedure is subject to the United States Internal Revenue Service requirements set forth in Section 9.3.6.7 "Information System Backup (CP-9)" of IRS Publication 1075 (Rev. 12-2013) and Attachment 4 entitled "United States Internal Revenue Service Requirements for the Safeguarding of Federal Tax Information Including Federal Tax Returns and Return Information".

8.4. Security Audit

8.4.1. Right to Audit, Investigate and Inspect

8.4.1.1. Without notice, the Contractor shall permit, and shall require Contractor's Agents to, permit the OAG, the State Auditor of Texas, the United States Internal Revenue Service, the United States Department of Health and Human Services and the Comptroller General of the United States to:

1. Monitor and observe the operations of, and to perform security investigations, audits, and reviews of the operations and records of, the Contractor and Contractor's Agents;
2. Inspect its information system in order to assess security at the operating system, network, and application levels; provided, however, that such assessment shall not interfere with the daily operations of managing and running the system;
3. Enter, unannounced, into the offices and places of business of the Contractor and Contractor's Agents for a security inspection of the facilities and operations used in the performance of Contract Services. Specific remedial measures may be required in cases where the Contractor or Contractor's Agents are found to be noncompliant with physical and/or data security protection.

8.4.1.2. Any audit of documents shall be conducted at the Contractor's principal place of business and/or the location(s) of the Contractor's operations during the Contractor's normal business hours and at the OAG's expense. Contractor shall provide to OAG and such auditors and inspectors as OAG may designate in writing, on Contractor's premises, (or if the audit is being performed of a Contractor's Agent, the Agent's premises, if necessary) space, office furnishings (including lockable cabinets), telephone and facsimile services, at least one workstation connected to each Contractor system subject to the audit, utilities and office-related equipment and duplicating services as OAG or such auditors and inspectors may reasonably require to perform the audits.

8.4.1.3. Contractor shall supply to the OAG and the State of Texas any data or reports rendered or available in conjunction with any security audit of Contractor or Contractor's Agents if those reports pertain, in whole or in part, to the Contract Services. This obligation shall extend to include any report(s) or other data generated by any security audit conducted up to one (1) year after the date of termination or expiration of the contract.

8.5. Security Incidents

8.5.1. Response to Security Incidents

Contractor shall detect and respond to Security Incidents which might occur. Contractor shall document its relevant procedures and processes into an internal incident response plan and provide such plan for OAG approval no later than thirty (30) calendar days prior to OAG Data being provided to Contractor. The OAG, in its discretion, may withhold fifty percent (50%) of Contractor's monthly invoices for each month until an OAG-approved incident response plan is in place.

8.5.2. Notice

8.5.2.1. Within one (1) hour of discovering or having any reason to believe that there has been, any physical, personnel, system, or OAG Data Security Incident Contractor shall initiate risk mitigation and notify the OAG-CSD ISO and the OAG Contract Manager, by telephone and by email, of the Security Incident and the initial risk mitigation steps taken. The Contractor must also notify the Tax Inspector General for Tax Administration in Dallas by phone (713-209-3711). If unable to contact the Dallas office, contact the National Office at: 800-589-3718.

8.5.2.2. Within twenty-four (24) hours of the discovery, Contractor shall conduct a preliminary risk analysis of the Security Incident; commence an investigation into the incident; and provide a written report utilizing the attached Security Incident Report (Attachment 3) to the OAG-CSD ISO, with a copy to the OAG Contract Manager fully disclosing all information relating to the Security Incident and the results of the preliminary risk analysis. This initial report shall include, at a minimum: nature of the incident (e.g., data loss/corruption/intrusion); cause(s); mitigation efforts; corrective actions; and estimated recovery time.

8.5.2.3. Each calendar day thereafter until the investigation is complete, Contractor shall:

1. Provide the OAG-CSD ISO, or the OAG-CSD ISO's designee, with a daily oral or email report regarding the investigation status and current risk analysis; and
2. Confer with the OAG-CSD ISO or the OAG-CSD ISO's designee, regarding the proper course of the investigation and risk mitigation.

8.5.2.4. Whenever daily oral reports are provided, Contractor shall provide, by close of business each Friday, an email report detailing the foregoing daily requirements.

8.5.3. Final Report

8.5.3.1. Within five (5) Business Days of completing the risk analysis and investigation, Contractor shall submit a written Final Report to the OAG-CSD ISO with a copy to the OAG Contract Manager, which shall include:

8.5.3.1.1. A detailed explanation of the cause(s) of the Security Incident;

8.5.3.1.2. A detailed description of the nature of the Security Incident, including, but not limited to, extent of intruder activity (such as files changed, edited or removed; Trojans), and the particular OAG Data affected; and

8.5.3.1.3. A specific cure for the Security Incident and the date by which such cure shall be implemented, or if the cure has been put in place, a certification to the OAG that states: the date that Contractor implemented the cure and a description of how the cure protects against the possibility of a recurrence.

8.5.3.2. If the cure has not been put in place by the time the report is submitted, Contractor shall within thirty (30) calendar days after submission of the final report, provide a certification to the OAG that states: the date that Contractor implemented the cure and a description of how the cure protects against the possibility of a recurrence.

8.5.3.3. If Contractor fails to provide a Final Report and Certification within forty-five (45) calendar days, or as otherwise agreed to, of the Security Incident, Contractor agrees the OAG may exercise any remedy in equity, provided by law, or identified in the contract.

8.5.4. Independent Right to Investigate

The OAG reserves the right to conduct an independent investigation of any Security Incident, and should OAG choose to do so, Contractor shall cooperate fully, making resources, personnel and systems access available.

8.6. Remedial Action

8.6.1. Remedies Not Exclusive and Injunctive Relief

8.6.1.1. The remedies provided in this section are in addition to, and not exclusive of, all other remedies available within this contract, or at law or in equity. OAG's pursuit or non-pursuit of any one remedy for a Security Incident(s) does not constitute a waiver of any other remedy that OAG may have at law or equity.

8.6.1.2. If injunctive or other equitable relief is available, then Contractor agrees that the OAG shall not be required to post bond or other security as a condition of such relief.

8.6.2. Notice and Compensation to Third Parties

8.6.2.1. In the event of a Security Incident, third-party or individual data may be compromised, and the OAG and Contractor agree that the actual harm to such third parties caused by the Security Incident is difficult to estimate.

8.6.2.2. Furthermore, OAG and Contractor agree, that a reasonable forecast of just compensation is for the Contractor to provide to individuals whose personal, confidential, or privileged data were compromised or likely compromised as a result of the Security Incident:

1. Notification of the event;
2. Actual damages sustained by the individual as a result of the Security Incident and any prescribed statutory damages; and
3. One year of credit monitoring services, at no-cost to each such individual, entity, or the OAG.

8.6.2.3. Subject to OAG review and approval, Contractor shall provide notice of the Security Incident, with such notice to include:

1. A brief description of what happened
2. A description, to the extent possible, of the types of personal data that were involved in the security breach (e.g., full name, SSN, date of birth, home address, account number, etc.);
3. A brief description of what is being done to investigate the breach, mitigate losses, and to protect against any further breaches;
4. Contact procedures for those wishing to ask questions or learn additional data, including a toll-free telephone number, website and postal address;
5. Steps individuals should take to protect themselves from the risk of identity theft, including steps to take advantage of any credit monitoring or other service the Contractor shall offer; and
6. Contact information for the Federal Trade Commission website, including specific publications.

7. Notice of the Security Incident shall comply with Section 504 of the Rehabilitation Act of 1973, with accommodations that may include establishing a Telecommunications Device for the Deaf (TDD) or posting a larger-type notice on the website containing notice. Contractor and OAG shall mutually agree on the methodology for providing the notice required in this subsection. Neither party shall unreasonably withhold such agreement; however the notice method must comply with the notification requirements of Section 521.053, Texas business and Commerce Code (as currently enacted or subsequently amended). Provided further that Contractor must also comply with Section 521.053's "consumer reporting agency" notification requirements.

8.6.2.4. If OAG, in its sole discretion, elects to send notice of the Security Incident in lieu of the Contractor sending notice, then Contractor shall reimburse to the OAG all costs associated with preparing and providing notice. If the Contractor does not reimburse such cost within thirty (30) calendar days of request OAG shall have the right to collect such cost by offsetting or reducing any future payments owed to Contractor.

8.6.3. Commencement of Legal Action

Contractor shall not commence any legal proceeding on OAG's behalf without the OAG's express written consent.

9. CONTRACT TERMS AND CONDITIONS

9.1. Financial Terms and Conditions

9.1.1. Audit Exceptions

The Awarded Vendor has no unresolved audit exceptions with the OAG. An unresolved audit exception is an exception for which the Awarded Vendor has exhausted all administrative and/or judicial remedies and refuses to comply with any resulting demand for payment.

9.1.2. Audit and Investigation

Awarded Vendor understands that acceptance of funds under this Contract acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. Awarded Vendor further agrees to cooperate fully with the State Auditor's office or its successor in the conduct of the audit or investigation, including providing all records requested. Awarded Vendor shall ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Awarded Vendor and the requirement to cooperate is included in any subcontract it awards.

9.1.3. Legislative Appropriations

All obligations of the OAG are subject to the availability of legislative appropriations and, for federally funded procurements, to the availability of federal funds applicable to this procurement. The parties acknowledge that the ability of the OAG to make payments under this Contract is contingent upon the continued availability of funds for the Child Support Enforcement Strategy and the State Disbursement Unit Strategy (collectively "Strategies"). The parties acknowledge that funds are not specifically appropriated for this Contract and the OAG's continual ability to make payments under this Contract is contingent upon the funding levels appropriated to the OAG for the Strategies for each particular appropriation period. The OAG will use all reasonable efforts to ensure that such funds are available. The parties agree that if future levels of funding for the OAG Child Support Enforcement Strategy and/or the State Disbursement Unit Strategy are not sufficient to continue operations without any operational reductions, the OAG, in its discretion, may terminate this Contract, either in whole or in part. In the event of such termination, the OAG will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination. The OAG shall

make best efforts to provide reasonable written advance notice to Awarded Vendor of any such termination. In the event of such a termination, Awarded Vendor shall, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. OAG shall be liable for payments limited only to the portion of work the OAG authorized in writing and which the Awarded Vendor has completed, delivered to the OAG, and which has been accepted by the OAG. All such work shall have been completed, per the Contract requirements, prior to the effective date of termination.

9.1.4. Provisions of Funding by United States

It is expressly understood that any and all of the OAG's obligations and liabilities hereunder are contingent upon the existence of a state plan for child support enforcement approved by the United States Department of Health and Human Services providing for the statewide program of child support enforcement, pursuant to the Social Security Act, and on the availability of Federal Financial Participation for the activities described herein. In the event that such approval of the state plan or the availability of Federal Financial Participation should lapse or otherwise terminate, the OAG shall promptly notify Vendor of such fact in writing. Upon such occurrence the OAG shall discontinue payment hereunder.

9.1.5. Antitrust and Assignment of Claims

Pursuant to 15 U.S.C. §1, et seq., and Tex. Bus. & Comm. Code §15.01, et seq., the Awarded Vendor affirms that it has not violated the Texas antitrust laws or federal antitrust laws and has not communicated its bid for this Contract directly or indirectly to any competitor or any other person engaged in such line of business. The Awarded Vendor hereby assigns to the OAG any claims for overcharges associated with this Contract under 15 U.S.C. §1, et seq., and Tex. Bus. & Comm. Code §15.01, et seq.

9.2. Contract Management

9.2.1. Notices and Liaisons

9.2.1.1. Written Notices Delivery

Any notice required or permitted to be given under this Contract by one party to the other party shall be in writing and shall be addressed to the receiving party at the address hereinafter specified. The notice shall be deemed to have been given immediately if delivered in person to the recipient's address hereinafter specified. It shall be deemed to have been given on the date of certified receipt if placed in the United States mail, postage prepaid, by registered or certified mail with Return Receipt requested, addressed to the receiving party at the address hereinafter specified.

9.2.2. Awarded Vendor

The address of the Awarded Vendor for all purposes under this SOW and for all notices hereunder shall be designated at the time of Contract Award.

9.2.3. OAG

The address of the OAG for all purposes under this SOW and for all notices hereunder shall be designated at Contract Award.

With copies to (registered or certified mail with return receipt is not required for copies):

Martha Fitzwater Pigott
CSD Legal Counsel, Transactional Attorneys Section
MC 044, Office of the Attorney General
P. O. Box 12017
Austin, Texas 78711-2017

9.2.4. Liaisons

Awarded Vendor and OAG each agree to maintain specifically identified liaison personnel for their mutual benefit during the term of the Contract. The liaison(s) named by Awarded Vendor shall serve as the initial point(s) of contact for any inquiries made pursuant to this Contract by OAG and respond to any such inquiries by OAG. The liaison(s) named by OAG shall serve as the initial point(s) of contact for any inquiries made pursuant to this Contract by Awarded Vendor and respond to any such inquiries by Awarded Vendor. The liaison(s) shall be named in writing at the time of the execution of this Contract. Subsequent changes in liaison personnel shall be communicated by the respective parties in writing.

9.2.5. No Assignment by Awarded Vendor

Awarded Vendor will not assign its rights under this Contract or delegate the performance of its duties under this Contract without prior written approval from the OAG. Notwithstanding anything to the contrary in the Texas Business Organizations Code or any other Texas or other state statute a merger shall not act to cause the assumption, by the surviving entity or entities, of this Contract and/or its associated rights and duties without the prior written approval of the OAG. The term "merger" as used in this Section includes, without limitation, the combining of two corporations into a single surviving corporation, the combining of two existing corporations to form a third newly created corporation; or the combining of a corporation with another form of business organization.

9.2.6. Reporting Fraud, Waste or Abuse

The Awarded Vendor must report any suspected incident of fraud, waste or abuse associated with the performance of this Contract to any one of the following listed entities:

- the Contract Manager;
- the Deputy Director for Contract Operations, Child Support Division;
- the Director, Child Support Division;
- the Deputy Director, Child Support Division;
- the OAG Ethics Advisor;
- the OAG's Fraud, Waste and Abuse Prevention Program ("FWAPP") Hotline (866-552-7937) or the FWAPP E-mailbox (FWAPP@texasattorneygeneral.gov);
- The State Auditor's Office hotline for fraud (1-800-892-8348).

The report of suspected misconduct shall include (if known):

- the specific suspected misconduct;
- the names of the individual(s)/entity(ies) involved;
- the date(s)/location(s) of the alleged activity(ies);
- the names and all available contact information (phone numbers, addresses) of possible witnesses or other individuals who may have relevant information; and
- any documents which tend to support the allegations.

The words fraud, waste or abuse as used in this Section have the following meanings:

- Fraud is the use of one's position for obtaining personal benefit (including benefit for family/friends) through the deliberate misuse or misapplication of resources or assets.
- Waste is the extravagant careless or needless expenditure of funds or consumption of property that results from deficient practices, system controls, or decisions.
- Abuse is the misuse of one's position, title or authority to obtain a personal benefit (including benefit for family/friends) or to attempt to damage someone else.

9.2.7. Cooperation with the OAG

The Awarded Vendor must ensure that it cooperates with the OAG and other state or federal administrative agencies, at no charge to the OAG, for purposes relating to the administration of this Contract. The Awarded Vendor agrees to reasonably cooperate with and work with the OAG's contractors, subcontractors, and third party representatives as requested by the OAG.

9.2.8. Dispute Resolution Process for Claims of Breach of Contract

9.2.8.1. The dispute resolution process provided for in Chapter 2260 of the Government Code shall be used, as further described herein, by the OAG and Awarded Vendor to attempt to resolve any claim for breach of Contract made by Awarded Vendor.

9.2.8.2. A claim for breach of Contract that the parties cannot resolve in the ordinary course of business shall be submitted to the negotiation process provided in Chapter 2260, Subchapter B, of the Government Code. To initiate the process, Awarded Vendor shall submit written notice, as required by Subchapter B, to the Deputy for Child Support, Office of the Attorney General, P.O. Box 12017 (Mail Code 033) Austin, Texas 78711-2017. The notice shall specifically state that the provisions of Chapter 2260, Subchapter B, are being invoked. A copy of the notice shall also be given to all other representatives of the parties otherwise entitled to notice. Compliance with Subchapter B is a condition precedent to the filing of a contested case proceeding under Chapter 2260, Subchapter C, of the Government Code.

9.2.8.3. The contested case process provided in Chapter 2260, Subchapter C, of the Government Code is the sole and exclusive process for seeking a remedy for any and all alleged breaches of Contract by the OAG if the parties are unable to resolve their disputes under the negotiation process.

9.2.8.4. Compliance with the contested case process is a condition precedent to seeking consent to sue from the Legislature under Chapter 107 of the Civil Practices and Remedies Code. Neither the execution of this Contract by the OAG nor any other conduct of any representative of the OAG relating to the Contract shall be considered a waiver of sovereign immunity to suit.

9.2.8.5. The submission, processing and resolution of a claim for breach of Contract is governed by the published rules adopted by the OAG pursuant to Chapter 2260, as currently effective, hereafter enacted or subsequently amended.

9.2.8.6. Neither the occurrence of an event nor the pendency of a claim constitutes grounds for the suspension of performance by Awarded Vendor, in whole or in part.

9.3. Amendment

This Contract shall only be amended or modified as follows: First, duly authorized representatives of the parties must execute a writing denominated as an amendment to the Contract. Second, the OAG must adopt the amendment by issuing it as an attachment to an OAG purchase order change notice. Awarded Vendor shall not be entitled to payment for any additional services, work, or products that are not authorized by a properly executed Contract amendment.

9.4. Termination of Contract

9.4.1. Convenience of the State of Texas

OAG reserves the right to terminate the Contract at any time, in whole or in part, without penalty, by providing thirty (30) calendar days' advance written notice, if OAG determines that such termination is in its best interest. In the event of such a termination, Vendor shall, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. OAG shall be liable for payments limited only to the portion of work the OAG authorized in writing and which the Awarded Vendor has completed, delivered to the OAG, and which has been accepted by the OAG. All such work shall have been completed, per the Contract requirements, prior to the effective date of termination. The OAG shall have no other liability including no liability for any costs associated with the termination.

9.4.2. Cause/Default

If the Awarded Vendor fails to provide the contracted for commodities and or services according to the provisions of this Contract, or fails to comply with any of the terms or conditions of this Contract, the OAG may, upon written notice of default to Vendor, immediately terminate all or any part of this Contract. Termination is not an exclusive remedy, but will be in addition to any other rights and remedies provided in equity, by law or under this Contract.

The OAG may exercise any other right, remedy or privilege which may be available to it under applicable law of the State and any other applicable law or proceed by appropriate court action to enforce the provisions of this Contract, or to recover damages for the breach of any agreement being derived from this Contract. The exercise of any of the foregoing remedies will not constitute a termination of this Contract unless the OAG notifies the Vendor in writing prior to the exercise of such remedy. The Vendor will remain liable for all covenants and indemnities under the aforesaid agreement. The Vendor will be liable for all costs and expenses, including court costs, incurred by the OAG with respect to the enforcement of any of the remedies listed herein.

9.4.3. Change in Federal or State Requirements

If Federal or State laws or regulations or other Federal or State requirements are amended or judicially interpreted so that either party cannot reasonably fulfill this Contract and if the parties cannot agree to an amendment that would enable substantial continuation of the Contract, the parties shall be discharged from any further obligations under this Contract.

9.4.4. Rights upon Termination of the Contract

In the event that the Contract is terminated for any reason, or upon its expiration, the OAG shall retain ownership of all associated work products and documentation with any order that results from or is associated with this Contract in whatever form that they exist.

9.4.5. Survival of Terms

Termination of this Contract for any reason shall not release the Awarded Vendor from any liability or obligation set forth in this Contract that is expressly stated to survive any such termination or by its nature would be intended to be applicable following any such termination.

9.5. General Terms and Conditions

9.5.1. Federal Terms and Conditions

9.5.1.1. Compliance with Law

Awarded Vendor shall comply with all state and federal laws, rules, regulations, requirements and guidelines applicable to Awarded Vendor: (1) performing its obligations hereunder and to assure with respect to its performances hereunder that OAG is carrying out the program of child support enforcement pursuant to Title IV, Part D of the federal Social Security Act of 1935 as amended; (2) providing services to OAG as these laws, rules, regulations, requirements and guidelines currently exist and as they are amended throughout the term of this Contract. Awarded Vendor's obligations include compliance with all such state and federal laws, rules, regulations, requirements and guidelines applicable to Awarded Vendor that become effective at any time during any term or renewal of this Contract. OAG reserves the right, in its sole discretion, to unilaterally amend this Contract throughout its term to incorporate any modifications necessary for OAG's or Awarded Vendor's compliance with all applicable state and federal laws, rules, regulations, requirements and guidelines.

9.5.2. Civil Rights

The Awarded Vendor agrees that no person shall, on the ground of race, color, religion, sex, national origin, age, disability, political affiliation, or religious belief, be excluded from the participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of, or in connection with, any program or activity funded in whole or in part with funds available under this Contract. The Awarded Vendor shall comply with Executive Order 11246, "Equal Employment Opportunity" as amended by Executive Order 11375, "Amending Executive Order 11246 relating to Equal Employment Opportunity", and as supplemented by regulations at 41 C.F.R. Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity Department of Labor". The Awarded Vendor shall ensure that all subcontracts comply with the above referenced provisions.

9.5.2.1. Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion from Participation.

Awarded Vendor certifies by entering into this Contract, that neither it nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in this transaction by any federal department or agency.

9.5.2.2. Records Retention

Awarded Vendor shall retain all financial records, supporting documents, statistical records, and any other records or books relating to the performances called for in this Contract. Awarded Vendor shall retain all such records for a period of five (5) years after the expiration of the term of this Contract, or until the OAG or the United States are satisfied that all audit and litigation matters are resolved, whichever period is longer. Awarded Vendor shall grant access to all books, records and documents pertinent to this Contract to the OAG, the State Auditor of Texas, the United States Department of Health and Human Services and the Comptroller General of the United States for the purposes of inspecting, auditing, or copying such books, records and documents. The requirements of this provision shall be included in all subcontracts.

9.5.2.3. Environmental Protection

Awarded Vendor shall be in compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 USC 1857(h)) Section 508 of the Clean Water Act (33 USC 1368) Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). The requirements of this provision shall be included in all subcontracts that exceed \$100,000.

9.5.2.4. Lobbying Disclosure

Awarded Vendor shall comply with the provisions of a federal law known generally as the Lobbying Disclosure Acts of 1989, and the regulations of the United States Department of Health and Human Services promulgated pursuant to said law, and shall make all disclosures and certifications as required by law. Awarded Vendor shall submit with its response the Certification Regarding Lobbying included with this solicitation. This certification certifies that the Awarded Vendor will not and has not used federally appropriated funds to pay any person or organization for influencing or attempting to influence any officer or employee of any Federal agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. It also certifies that the Awarded Vendor will disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award by completing and submitting Standard Form A, Certification Regarding Lobbying. The requirements of this provision shall be included in all subcontracts exceeding \$100,000.

9.5.3. Certifications

9.5.3.1. Certification Concerning Child Support Obligations

Under Section 231.006, Texas Family Code, (relating to child support) the Awarded Vendor, by signing this Contract, certifies that it is not ineligible to receive a payments under this Contract and acknowledges that this Contract may be terminated and payment may be withheld if this certification is inaccurate.

9.5.3.2. Certification Concerning Dealings with Public Servants

Awarded Vendor, by signing this Contract, certifies that it has not given nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this transaction.

9.5.3.3. Certification Concerning Financial Participation

Pursuant to §2155.004, Government Code, the Awarded Vendor certifies that the individual or business entity named in this Contract is not ineligible to receive the Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate. Section 2155.004 prohibits a person or entity from receiving a state contract if they received compensation for participating in preparing the solicitation or specifications for the Contract.

9.5.3.4. Certification Concerning Hurricane Relief

Sections 2155.006 and 2261.053, Government Code, prohibit the OAG from awarding a contract to any person who, in the past five years, has been convicted of violating a federal law or assessed a penalty in connection with a contract involving relief for Hurricane Rita, Hurricane Katrina, or any other disaster, as defined by §418.004 of the Government Code, occurring after September 24, 2005. Under §2155.006, Government Code, the Awarded Vendor certifies that the individual or business entity named in this CONTRACT is not ineligible to receive this Contract and acknowledges that the Contract may be terminated and payment withheld if this certification is inaccurate.

9.5.3.5. Certification Concerning Participation Eligibility

Awarded Vendor certifies that it and its principals are eligible to participate in this Contract and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal state or local governmental entity and that Awarded Vendor is in compliance with the State of Texas statutes and rules relating to procurement and contracting and that Awarded Vendor is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <https://www.sam.gov>.

9.5.3.6. Certification Concerning Conflicts of Interest

Awarded Vendor represents and warrants that it has no actual or potential conflicts of interest in providing the requested items to the OAG under this Contract and that Awarded Vendor's provision of the requested items under this Contract would not reasonably create an appearance of impropriety.

9.5.4. General Responsibilities

9.5.4.1. Independent Contractor

This Contract shall not render the Awarded Vendor an employee, officer, or agent of the OAG for any purpose. The Awarded Vendor is and shall remain an independent contractor in relationship to the OAG. The OAG shall not be responsible for withholding taxes with respect to the Awarded Vendor's compensation under this Contract. The Awarded Vendor shall have no claim against the OAG under this Contract for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind.

9.5.4.2. No Implied Authority

Any authority delegated to the Awarded Vendor by the OAG is limited to the terms of this Contract. The Awarded Vendor shall not rely upon implied authority and specifically is not delegated authority under this Contract to:

9.5.4.2.1. Make public policy;

9.5.4.2.2. Promulgate, amend, or disregard OAG Child Support program policy; or

9.5.4.2.3. Unilaterally communicate or negotiate, on behalf of the OAG, with any member of the U.S. Congress or any member of their staff, any member of the Texas Legislature or any member of their staff, or any federal or state agency. However, the Awarded Vendor is required to cooperate fully with the OAG in communications and negotiations with federal and state agencies, as directed by the OAG.

9.5.4.3. Indemnification and Liability

9.5.4.3.1. HOLD HARMLESS, INDEMNIFICATION AND DEFENSE

The Awarded Vendor shall hold harmless, indemnify and defend the OAG and its employees, agents, and contractors from and against any and all claims, demands, allegations, suits, actions, judgments, losses, damages, or liabilities, of any nature whatsoever, arising out of or relating to this Contract, or that are made or threatened as a result of this Contract, or that are associated with the performance of this Contract (hereinafter "Claims"). The term "Claims" also includes any Claim for the infringement of any United States or internationally protected patents, copyrights, trade and service marks, and any other intellectual or intangible property rights arising out of the Awarded Vendor's or the OAG's use of any equipment, materials, information, or ideas employed or furnished by the Awarded Vendor in connection with the performances called for in this Contract. The term "Claims" also includes any claim related to injuries to any persons present on OAG owned, leased, or occupied property or premises, whether or not those persons are OAG employees, and it includes damages to any personal property that is present on OAG owned, leased, or occupied property or premises, whether or not the personal property is owned by the OAG.

The Awarded Vendor shall be liable for all costs of defense and shall reimburse the OAG for all costs incurred by the OAG in defending any and all Claims. The defense shall be coordinated by the Awarded Vendor with the OAG and the Awarded Vendor shall not agree to any settlement without first obtaining the concurrence of the OAG. The Awarded Vendor's obligation to indemnify and defend the OAG and reimburse the OAG's defense costs shall arise at the time notice of a Claim is first provided to either the Awarded Vendor or the OAG, regardless of whether or not a claimant has filed suit on the Claim. The Awarded Vendor and the OAG agree to furnish, within 10 calendar days of receipt or knowledge of a claim, written notice to each other of any such Claim. Upon the OAG's written demand, the Awarded Vendor shall reimburse the OAG, within thirty (30) calendar days of the written demand, for the OAG's costs incurred due to any Claim, including but not limited to, court costs, administrative proceedings costs, expert fees, attorneys' fees incurred by the OAG in defending or investigating Claims, and, any monies necessary to settle any Claim against the OAG.

9.5.4.3.2. CONTRACTOR'S LIABILITY FOR DAMAGE TO OAG PROPERTY

The Awarded Vendor shall be liable for all damages to OAG owned, leased, or occupied property and equipment caused by the Awarded Vendor and its employees, agents, subcontractors, and suppliers, including any delivery or cartage company, in connection with any performance pursuant to this Contract. The Awarded Vendor shall notify the OAG Contract Manager in writing of any such damage within one (1) calendar day. For damage to equipment, the Awarded Vendor shall, at the sole option of the OAG, repair, replace, or pay for any and all OAG owned, leased, or controlled equipment that is damaged or lost by the Awarded Vendor or its employees, agents, subcontractors, or suppliers (including delivery and cartage companies) in connection with any performance pursuant to this Contract. If the OAG directs the Awarded Vendor to repair, replace, or pay for such equipment, then the Awarded Vendor shall do so within forty-eight (48) hours of being notified of same by the OAG. For damages to real property or structures on real property, the Awarded Vendor shall present to the OAG for prior approval, within forty-eight (48) hours of the damage occurring, a detailed plan for repairing the damage. Such plan shall include a schedule showing when the repairs should be completed. The OAG shall have a reasonable period of time to review and approve the plan. The OAG shall not unreasonably withhold approval of the plan and shall discuss its concerns with the Awarded Vendor before disapproving any plan. If the Parties cannot resolve the OAG's concerns, the Awarded Vendor may not implement the plan and shall instead submit an alternative plan for repair to the OAG within forty-eight (48) hours of being instructed to do so by the OAG in writing. The Awarded Vendor may implement the plan for repair once written approval from the OAG is received.

9.5.4.3.3. Limitation of Liability

9.5.4.3.3.1. Force Majeure

The OAG shall not be responsible for performance of the Contract should it be prevented from performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributable to the fault or negligence of the OAG.

9.5.4.3.3.2. The Awarded Vendor shall not be liable to the OAG for non-performance or delay in performance of a requirement under this Contract if such non-performance or delay is due to one of the following occurrences, which occurrence must not be preventable through the exercise of reasonable diligence, be beyond the control of the Awarded Vendor, cannot be circumvented through the use of alternate sources, work-around plans, or other means and occur without its fault or negligence: fire; flood; lightning strike; weather damage; earthquake; tornado; hurricane; snow or ice storms; equipment break down; acts of war, terrorism, riots, or civil disorder; strikes and disruption or outage of communications, power, or other utility.

9.5.4.3.3.3. In the event of an occurrence under Section 9.5.4.3.3.1., the Awarded Vendor will be excused from any further performance or observance of the requirements so affected for as long as such circumstances prevail and the Awarded Vendor continues to use commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay. The Awarded Vendor shall immediately notify the OAG Contract Manager by telephone (to be confirmed in writing within five (5) calendar days of the inception of such occurrence) and describe at a reasonable level of detail the circumstances causing the non-performance or delay in performance.

9.5.4.4. News Releases

The OAG does not endorse any vendor, commodity, or service. News releases pertaining to this transaction and/or advertisements, publications, declarations and any other pronouncements by the Awarded Vendor using any means or media mentioning the State of Texas or the OAG must be approved in writing by the OAG prior to public dissemination.

9.5.4.5. Debts or Delinquencies Owed Texas

As required by §2252.903, Government Code, the Awarded Vendor agrees that any payments due under this Contract shall be directly applied towards eliminating any debt or delinquency including, but not limited to, delinquent taxes, delinquent student loan payments, and delinquent child support.

9.5.4.6. Comportment

The Awarded Vendor and the Awarded Vendor's subcontractor personnel and agents shall be courteous and professional in all communications during their performance of the requirements of this SOW. Any actions deemed unprofessional must be remedied to the satisfaction of the OAG Contract Manager. The OAG reserves the right, in its sole discretion, to require the immediate removal and replacement of any Awarded Vendor and/or Awarded Vendor subcontractor personnel and agents deemed by the OAG to be discourteous, unprofessional, incompetent, careless, unsuitable or otherwise objectionable. Any replacement personnel assigned by Awarded Vendor to perform services under this SOW must have qualifications for the assigned position that equal or exceed those of the person being replaced.

9.5.4.7. Right of Removal

OAG expects all services under this Contract to be competently and professionally performed. Awarded Vendor and Awarded Vendor subcontractor personnel and agents shall comply with all OAG policy, procedures and requirements relating to standards of conduct and shall be courteous and professional in all communications during their performance of the requirements of this Contract. Any actions deemed incompetent or unprofessional must be remedied to the satisfaction of the OAG Contract Manager. The OAG reserves the right, in its sole discretion, to require the immediate removal from the performance of services under this Contract and replacement of any Awarded Vendor and/or Awarded Vendor subcontractor personnel and agents deemed by the OAG to be discourteous, unprofessional, incompetent, careless, unsuitable or otherwise objectionable. Any replacement personnel assigned by Awarded Vendor to perform services under this Contract must have qualifications for the assigned position that equal or exceed those of the person being replaced.

9.5.5. Special Terms and Conditions

9.5.5.1. Insurance

9.5.5.1.1. Awarded Vendor will be required to obtain the following insurance coverage in connection with this contract:

9.5.5.1.1.1. Comprehensive General Liability Insurance with a minimum limit of \$500,000 for each occurrence with an aggregate of \$1,000,000;

- 9.5.5.1.1.2. Automobile Liability Insurance for all owned, non-owned and hired vehicles with minimum limits of Bodily Injury of \$250,000 for each person and \$500,000 for each occurrence and Property Damage Limits of \$100,000 for each occurrence; and
- 9.5.5.1.1.3. Workers' Compensation coverage as required by law with statutory limits for the State of Texas.
- 9.5.5.1.2. All policies must contain a waiver of subrogation against the OAG, its officers and employees, for bodily injury (including death), property damage or any other loss.
- 9.5.5.1.3. Proof of, or commitment for, the insurance coverage detailed in subsections [9.5.5.1.1.1](#) and [9.5.5.1.1.2](#), above, must be presented in the form acceptable to the OAG at the time of response. If Awarded Vendor submits a commitment for insurance, an award of this contract to the Awarded Vendor may, in the sole discretion of the OAG, be revoked if actual proof of insurance is not received by the OAG within ten (10) calendar days of the Awarded Vendor being notified of the award. **THE AWARDERED VENDOR SHALL NOT COMMENCE ANY WORK UNDER THIS CONTRACT UNTIL PROOF OF INSURANCE, IN THE FORM ACCEPTABLE TO THE OAG, HAS BEEN RECEIVED BY THE OAG.** The insurance coverage must be written by a company licensed to do business in the State of Texas and rated A- or better by A.M. Best Company and/or otherwise acceptable to the OAG, and Awarded Vendor shall not cause said insurance coverage to be canceled nor permit any insurance to lapse. Failure to maintain such coverage may void the contract. The proof of, or commitment for, the insurance and the insurance policies shall contain a provision that coverage afforded under the policies will not be modified, canceled or allowed to expire until at least thirty (30) calendar days prior written notice has been given to the OAG.
- 9.5.5.1.4. Awarded Vendor shall provide the OAG with immediate written notice of cancellation by the insurer of any required coverage or a material change by Awarded Vendor or the insurer that affects the coverage. In the event that any of the coverage is canceled by the insurer for any reason, the Awarded Vendor shall obtain replacement coverage acceptable to the OAG no later than fifteen (15) business days after the cancellation of coverage. If the Awarded Vendor fails to maintain the required coverage, the OAG shall have the right (without the obligation to do so) to secure same in the name and for the account of the OAG, in which event the Awarded Vendor shall pay the cost thereof.
- 9.5.5.1.5. If any of the insurance coverage detailed above are required to remain in force after the completion of all services, an additional certificate evidencing continuation of such coverage shall be submitted at the same time that Awarded Vendor submits its final invoice for payment under the contract.

9.5.5.2. Awarded Date Standard

Four-digit year elements will be used for the purposes of electronic data interchange in any recorded form. The year shall encompass a two digit century that precedes, and is contiguous with, a two digit year of century (e.g. 1999, 2000, etc.). Applications that require day and month information will be coded in the following format: CCYYMMDD. Additional representations for week, hour, minute, and second, if required, will comply with the international standard ISO 8601: 1988, "Data elements and interchange formats--Information interchange--Representation of dates and times."

9.5.5.3. Offshoring

All work to be performed under this Contract, unless pre-approved differently in writing by the OAG, shall be performed entirely within the United States and its territories.

9.5.5.4. Background Reviews

By entering into this Contract, the Contractor certifies that it will perform a background review, to include criminal history record information, of all Contractor Agents before allowing a Contractor Agent to

provide services to the OAG or to have access to OAG Data (hereinafter referred to as “contract associated service”) and that such background review shall not occur any earlier than six (6) months prior to the Contractor Agent performing any such services. The term Contractor Agent as used in this “Background Reviews” provision means: Contractor’s officials, employees, agents, consultants, subcontractors, and representatives, and all other persons that perform contract services on Contractor’s behalf. No Contractor Agent who has been convicted of a felony for crimes involving violence, sexual offenses, theft or fraud or is a registered sex offender may perform any contract associated service.

9.5.5.4.1. The Child Support Division of the Office of the Texas Attorney General is the Title IV-D agency for the State of Texas. Pursuant to Texas Government Code Section 411.127 the Child Support Division has the right to obtain criminal history record information that relates to an entity who proposes to enter into a contract with or that has a contract with the Child Support Division. OAG shall have the right under this contract to perform initial and periodic detailed background reviews, to include a criminal history records check, on Contractor and any of Contractor’s Agents that are assigned to provide services to the OAG or are authorized to access, or are requesting to access, OAG Data. Upon request, and to assist OAG in performing background reviews and criminal records checks, Contractor shall provide identifying data and any required consent and authorization to perform such reviews and checks. OAG is prohibited from revealing the results of any criminal history records check to the Contractor.

9.5.5.4.2. Within ten (10) business days of award Contractor (unless directed otherwise in Controlled Correspondence) shall provide the OAG with a list of all Contractor Agents who will be performing contract associated service. The list shall contain the following information:

- Name (including any other names used);
- Day-time phone number;
- Responsibilities under the contract;
- Date of birth;
- Driver License number;
- Social Security number; and
- Criminal Offense convictions, if any.

9.5.5.4.3. Contractor shall provide an updated list to the OAG whenever a new Contractor Agent is assigned to perform any contract associated service. Contractor shall notify the OAG whenever a Contractor Agent is to assume a new responsibility with regard to the performance of contract associated service.

9.5.5.4.4. No Contractor Agent shall commence performance of contract associated service or assume new responsibilities regarding contract associated service until the OAG, by Controlled Correspondence, consents to such Contractor Agent performing such service or new responsibilities.

9.5.5.4.5. Contractor must require all Contractor Agents to notify Contractor of any arrest (to include the date of arrest, arresting entity, and charges) at the earliest possible opportunity but no later than the end of the first business day following an arrest. Within one business day of such notification the Contractor in turn shall notify OAG of such arrest. Contractor must also require any Contractor Agent who has been arrested to provide an official offense report to the Contractor as soon as possible but no later than 30 calendar days from the date of the arrest. Within one business day of receipt the Contractor in turn shall provide the OAG with a copy of such offense report.

9.5.6. Non-Waiver of Rights

Failure of a party to require performance by another party under this Contract will not affect the right of such party to require performance in the future. No delay, failure, or waiver of either party's exercise or partial exercise of any right or remedy under this Contract shall operate to limit, impair, preclude, cancel, waive or otherwise affect such right or remedy. A waiver by a party of any breach of any term of this Contract will not be construed as a waiver of any continuing or succeeding breach. Should any provision of this Contract be invalid or unenforceable, the remainder of the provisions will remain in effect.

9.5.7. No Waiver of Sovereign Immunity

THE PARTIES EXPRESSLY AGREE THAT NO PROVISION OF THIS CONTRACT IS IN ANY WAY INTENDED TO CONSTITUTE A WAIVER BY THE OAG OR THE STATE OF TEXAS OF ANY IMMUNITIES FROM SUIT OR FROM LIABILITY THAT THE OAG OR THE STATE OF TEXAS MAY HAVE BY OPERATION OF LAW.

9.5.8. Severability

If any provision of this Contract is construed to be illegal or invalid, such construction will not affect the legality or validity of any of its other provisions. The illegal or invalid provision will be deemed severable and stricken from the Contract as if it had never been incorporated herein, but all other provisions will continue in full force and effect.

9.5.9. Applicable Law and Venue

Awarded Vendor agrees that this Contract in all respects shall be governed by and construed in accordance with the laws of the State of Texas, except for its provisions regarding conflicts of laws. Awarded Vendor also agrees that the exclusive venue and jurisdiction of any legal action or suit concerning this Contract is, and that any such legal action or suit shall be brought, in a court of competent jurisdiction in Travis County, Texas. Awarded Vendor further agrees that all payments shall be due and payable in Travis County, Texas.

9.5.10. Headings

The headings for each section of this Contract are stated for convenience only and are not to be construed as limiting.



Council on Competitive Government

THIS ADDENDUM SHALL BE ATTACHED TO AND FORM A PART OF THE REFERENCED RFP AND ANY RESULTING AWARDED CONTRACT

RFP NO:	920-C1	ADDENDUM NO.:	1
DATE OF ADDENDUM:	May 9, 2014		
PURCHASER:	David B. Bennett	David.bennett@cpa.state.tx.us	

PURPOSE OF ADDENDUM:

1. NOTICE THAT PACKAGE #3 was deleted. USE THE PACKAGE #7 POSTED ON THE ESD for:

Attachment A
Attachment B
Attachment C and
HUB SUBCONTRACTING PLAN

2. NOTICE THAT PACKAGE #4 was deleted. USE THE PACKAGE #8 POSTED ON THE ESD for:

Pricing Sheet Attachment D. The revisions were to Tab 1.0, Items #77 thru 80, and deleted #81.

3. CHANGE RFP PROPOSAL Due Date to:

May 27~~23~~, 2014 (the 2:00 PM time remains the same.)

4. CHANGE RFP PROPOSAL SUBMISSION CHECKLIST to:

Reference Section A.14~~13~~ for Submission Requirements

5. CHANGE RFP SECTION A.2.3 to :

Section A.13~~14~~, Exhibit A contains information for the first SOW using the Contract(s) awarded from this RFP.

6. Change RFP SECTION A.6.1.1.b to:

Include a waiver of subrogation clause for all policies listed in A.6.1.2 except g, Comprehensive Crime Insurance.

7. CHANGE RFP Section A.6.8.9 to:

The Contractor is responsible for scanning equipment, maintenance/repairs and the scanning equipment's Image

quality.

8. CHANGE RFP SECTION A.9.4 to:

Email: david.bennett@cpa.state.tx.us

9. DELETE the following sentence from RFP SECTION A.13.5:

In the event of a conflict between the terms of the CCG RFP and Exhibit A, the language of Exhibit A shall control all work performed by Contractor pursuant to the SOW.

10. CHANGE EXHIBIT A, SECTIONS 4.5.9.2 and 4.8.1.2, as follows:

“...Unique Identifier assigned by ~~the OAG~~ the Awarded Vendor...”

11. CHANGE EXHIBIT A, SECTION 4.10.4, as follows:

“...~~document~~ Documents that require separator sheets...”

12. CHANGE TO EXHIBIT A, SECTION 7.1.3.6, as follows:

“Creation and ~~Check-in~~ Destruction of Backup Files...”

13. QUESTIONS AND ANSWERS FROM

The Council on Competitive Government’s RFP #920-C1 and the Office of Attorney General’s SOW #359911 are documented below:

IN THE SUBMISSION OF RFP, RESPONDENT MUST COMPLETE, SIGN AND RETURN THIS ADDENDUM WITH RFP RESPONSE; OTHERWISE THE RFP WILL NOT BE GIVEN CONSIDERATION.
(Reference original RFP – Part A for submission process)

RESPONDENT OR NAME

REPRESENTATIVE SIGNATURE

The Council on Competitive Government's RFP #920-C1

No.	RFP SECTION	QUESTION	ANSWER
1	A.1.1	<p>The special note discusses precedence between the documents and their attachments.</p> <p>Also, A.13.5 SOW Award page A39 states: "In the event of a conflict between the terms of the CCG RFP and Exhibit A, the language of Exhibit A shall control all work performed by Contractor pursuant to the SOW."</p> <p>a. In keeping with the statement at the bottom of page A39, can the special note on page A1 be modified to indicate that for each PA SOW, the PA SOW will have precedence over the Contract Documentation as defined in Part B B.3.4 page B9?</p>	No. The statement at issue was inadvertently included and has been deleted by Addendum #1.
2	A.2.1	It was mentioned several times during the Pre-Proposal Conference that it is the desire of the CCG to award this procurement to a single vendor; is that the case?	CCG reserves the right to award only one Contract or to award Contracts to multiple Respondents.
3	A.2.1	Would the CCG consider awarding a primary, secondary and tertiary award if it is in the best interest of the State?	CCG reserves the right to award only one Contract or to award Contracts to multiple Respondents.
4	A.2.1	This contract was originally awarded to one vendor; then in 2010 it was awarded to the 8 vendors currently depicted on the CCG website. What is the benefit to the PA's to go back to the single vendor model when they have enjoyed a having a list of competitive vendors to choose from?	PA's would not have to compare responses to their SOWs from several vendors..
5	A.2.1	Last paragraph seems to conflict with A.6.8.9 Please clarify what this "service" is intended to do, place equipment for use, provide instruction, or other purchasing/leasing arrangements to supply machinery/equipment post project completion?	With a lease/purchase, the cost is per month for a set number of months on a specified brand and model of equipment. Desktop Scanning Services is priced per the number of images scanned, Customers are only charged for actual usage and the Contractor has the right to offer the equipment brand and type to meet the PA's needs.
6	A.2.1	What is the motivation of designating a primary vendor when having multiple vendors gives each agency the ability to pick and choose the best vendor solution for their particular service needs	The designation of a primary vendor will assist agencies in giving them a "starting point" for their evaluation and assurance that the State's subject matter experts have determined this contractor to be "best value" overall and not just limited to the few requirements in their SOW.
7	A.2.1	In the meeting we understood you to say that the Texas state agencies are required to use this new agreement. Did we understand this correctly?	Yes, State Agencies are required to use the contracts awarded by CCG if it meets their needs or get waiver from the CCG.

8	A.2.1	<p>Second, is this statement from A.2.1 p. A9: “Additional Contracts(s) may be awarded to provide required services and alternative solutions for PAs. If CCG awards a Contract to one or more Primary Contractors and awards additional contracts, Participating Agencies will have the option of utilizing such additional Contracts awarded only if they can provide evidence that doing so is based on best value and document their procurement files as such. In determining best value, the PA will evaluate service pricing, security needs, unique services, delivery timelines and other relevant requirements for the specific project for which services are sought.” referring to this state requirement and if so, when would an additional contract be awarded?</p>	<p>Yes, it is the same requirement. CCG may award additional contracts to provide PA options if the primary contractor does not meet their needs.</p>
9	A.4	<p>As economies of scale are applicable to our industry, would the state accept tiered pricing based on volume? If not, how do we protect our margins if we in fact submit competitive pricing but are only awarded a small amount of work?</p>	<p>Tiered pricing based on volume is not an option for this RFP. A Contractor is not required to respond to all SOWs. RFP Response pricing is the maximum price allowed but a Contractor may competitively price specific SOW below maximum price allowed if work warrants.</p>
10	A.4	<p>Can we interpret A.4 to mean that other PAs wanting the same discounts extended to another agency would also have to meet the same high-volume criteria? “Proposed prices/discounts offered to the state of Texas may be considered the Respondent’s most favored Customer pricing; however CCG reserves the right to negotiate pricing. In the event a Contractor offers or provides a decrease in price or increase in discount to its Customers for the same commodities or services, under the substantially similar terms and conditions, provided for the state of Texas pursuant to its Contract, the Contractor shall provide the same decrease in price or increase in discount for the state of Texas. It is recommended that the Contractor provide said price decrease or discount increase voluntarily.”</p>	<p>No, this refers to the pricing submitted on Price Sheet Attachment D and the pricing that your company offers to other customers (other than the State of Texas) under substantially the same terms and conditions.</p>
11	A.5	<p>Is the CPI pricing increase each year automatically applied or does it need to be requested by the vendor?</p>	<p>Contractors may request price increases at Contract renewal periods.</p>

12	A.5.3	<p>“Prices may be adjusted annually at time of renewal or at the sole discretion of CCG throughout the term of the Contract upwardly or downwardly when correlated with the index as specified below and as published by the Bureau of Labor Statistics (BLS), Region VI, Washington, DC 20212.”</p> <p>a. Has there been any consideration given to the recovery of the additional costs associated with the provisions of Patient Protection and Affordable Care Act (ACA)?</p> <p>b. Can a surcharge be applied?</p>	<p>a. No</p> <p>b. No</p>
13	A.6.1	Insurance Requirements – This requirement seems to have changed since the last RFP; what forced the CCG to implement this change? Seems excessively burdensome on the vendors as most of the engagements are less value than the lowest limits of \$1,000,000. According to the history of records over the last year only a few exceeded \$100,000.	This is a standard insurance requirement that is not specific to Digital Imaging Services.
14	A.6.1.2.b	Again, this requirement seems to have changed since the last RFP; what forced the CCG to implement this change? Please explain the need for bonding if the records handled are not financial. With the high insurance limits this seems excessive duplicated coverage.	<p>This is a standard insurance requirement that is not specific to Digital Imaging Services.</p> <p>This Contract will cover many types of records which could have monetary values if compromised or lost.</p>
15	A.6.1.2.e	Errors and Omissions coverage on work or Professional Services – most, perhaps all, digital imaging services do not require professional services or opinions about the content, absence or presence of information deemed relevant. If the risk of loss of records is the intention that would be covered under General Liability. What is the purpose of this E&O coverage? Additionally, would the CCG allow for General Liability Insurance to cover this requirement?	The purpose is to protect a PA in the event of an issue. No, General Liability Insurance will not cover this requirement.
16	A.6.1.1.b	<p>“Include a waiver of subrogation clause.</p> <p>a. Per nationally recognized insurance broker, a waiver of subrogation WOS is not available for Crime policies. How are we to address this requirement?</p>	Section A.6.1.1.b is revised in Addendum #1
17	A.6.2.8	<p>Indicates that all work and data must remain in the United States.</p> <p>a. Since all work and data can now be processed outside of the State of Texas, are physical documents also able to be processed outside of Texas?</p>	Yes

18	A.6.4.1	What is the provision for training new PA employees after the projects have been completed? That will not be provided at no cost.	In your response to Section 12.9.3 and the Price Sheet Attachment D, Additional Services give you the opportunity to describe additional training offered and any related costs. A new SOW and PO may be issued to cover training after the original SOW ends.
19	A.6.6.6	All disaster recovery procedures included in the responses will be considered confidential. Can CCG give guidance to these records not being introduced to any requester given the attacks that could be performed on alternate backup resumption facilities?	See Section A.12.1 on how to identify Confidential information in the Response. If there are Open Records Request, then the claimed confidential information will be reviewed and handled as per the Public Information Act. See Section B.2.7 for additional information.
20	A.6.7.3	Is the index quality referring to indexes on a field level or document level?	Field level. Additionally, you may explain your offerings or alternatives in your response.
21	A.6.8.1.1	A.6.8.1.1 page A20 "The Contractor must be responsible, at a minimum, for basic Document Preparation, Document Handling and Re-preparation during the Digital Imaging process as defined in SOW." And Definition on page A8 "Re-preparation consists of reconstruction of the Documents including the attachment of fasteners and bindings, reassembling of the Documents into their original configuration, preparing a Document inventory listing, and packaging/packing for return shipment to the PA." a. Re-preparation as defined on page A8, is not a standard minimum requirement for most PAs. This would result in unnecessary PA costs.	Not all SOW's will require Re-preparation. If PA requires Re-preparation services in their SOW, then it is at price established in Item #66.
22	A.6.8.8	If the Respondent is not providing Preservation Imaging Services, may the Respondent indicate this in response to section A.6.8.8, and provide no further content for the remainder of this section?	If the service is not provided enter N/A in the Price Sheet Attachment D. Also, clearly indicate in A.12.9 that Preservation services are not offered.

23	A.6.8.9	<p>“Desktop Scanning Services are Digital Imaging Services that are performed at PA location by PA personnel using Contractor’s scanner equipment. The PA is responsible for location security, network security, preparations, Documents being scanned and disposal after scanning. The Contractor is responsible for scanning equipment, maintenance/repairs and Image quality.”</p> <p>a. For the Contractor’s responsibility regarding image quality, this can only apply in situations where there is defective hardware or software. The PA’s document preparation and scanning actions also have an effect on output image quality. For instance, you cannot hold the copier manufacturer/vendor responsible for bad copies unless there is a defect in the hardware itself or the software. Can this requirement be revised to reflect the PA’s affect on image quality as well?</p>	<p>This Section A.6.8.9 is changed in Addendum #1 to read:</p> <p>The Contractor is responsible for scanning equipment, maintenance/repairs and the scanning equipment's Image quality.</p> <p>Where contractor is processing images and adding them to hosted image repository, contractor is checking Image Quality and performing Quality Assurance. See SOWs for specific PA requests.</p>
24	A.6.9	<p>“Catalogs, brand names or manufacturer's references are descriptive only, and indicate type and quality desired. Proposals on brands of like nature and quality will be considered unless advertised as proprietary under Section 2155.067, Texas Government Code. If proposing other than the referenced brands/model number, Respondent must show manufacturer, brand or trade name, product number and provide complete descriptive information of product offered and include with Proposal. Failure to take exception to specifications or reference data will require Contractor to furnish specified brand names, numbers, etc.”</p> <p>a. Can we assume, based on the response given at the bidders conference, that this requirement does not apply to this RFP and does not need to be responded to?</p>	<p>No response is needed unless a specific brand or model is required in RFP.</p>
25	A.7.5	<p>“If delay is foreseen, Contractor shall give written notice to the PA and must keep PA advised of status of service order. Default in promised delivery (without accepted reasons) or failure to meet specifications authorizes the PA to purchase services of this RFP elsewhere and charge any increased costs for the goods and services, including the cost of re-soliciting, to the Contractor.”</p> <p>a. We include SLAs in our PA SOWs (i.e. 98% or as designated and agreed upon by the PA) regarding delivery times. Can requirement A.7.5 be reworded to be in line with the PA SOWs?</p>	<p>No</p>

26	A.7.6	<p>"If Contractor does not meet deadline for project completion, a credit will be applied to PA account for a sum of not less than 2% of the total project cost for missing major project deadline as defined in the SOW by the PA unless this delay is subject to Force Majeure, see Section B.7.13 or PA agreed to amend the SOW."</p> <p>a. Besides Force Majeure events, can the wording be revised to include missing major project deadlines due to delays by the PA?</p>	No, If delays are by the PA then the SOW should be revised accordingly.
27	A.9.2	Due to the complexity and length of the RFP and to insure vendors are providing quality responses. We request an extension for the response due date to June 6, 2014.	Addendum #1 changes the due date to May 27, 2014.
28	A.9.7	Employee Benefits – Section 4. "Please provide a statement of equivalency in overall package of pay, benefits, etc. to State employees...". Please guide the Respondents as to where that information can be found so the Statement can be made.	Information regarding state employee salaries and benefits can be obtained from the Texas State Auditor's Office (http://www.hr.sao.state.tx.us/Compensation/Schedules.html) and the Employees Retirement System of Texas (http://www.ers.state.tx.us/employees/).
29	A.10	What will be the deciding factors to determine a primary vendor vs. several (multiple) vendors?	Scores from evaluations and meeting all of the stakeholders needs.
30	A.10.2	For the costing valuation, please explain how you will evaluate the variable of hours potentially charged for the services? Example, if a vendor is able to provide services in a more efficient manner than another vendor, but at a higher hourly rate, how will CCG determine the optimum vendor for hourly services?	Only items #60 thru 68 are per hour and they will be evaluated based on cost. Section A.12 gives Respondents with higher quality employees, more efficient operations, more experienced staff, less software customization, etc., the opportunity to separate them and score accordingly in this section.
31	A.10.2	Will Phase II and Phase III of your evaluation process be performed at the same time or do you have to make it to the short list on Phase II pricing to then be evaluated and considered in Phase III?	<p>Phase II is performed before Phase III.</p> <p>CCG reserves the right based on the evaluation of the cost proposals, to limit further evaluation of Proposals not found to be in a competitive range with those of other Respondents.</p>
32	A.10.3	The third criteria is evaluation of the responses, which counts 60%. What specific items and processes are you looking for to maximize the valuation?	Section A.12.9 lists the items that will be evaluated. To maximize your evaluation, explain how your company meets or exceeds the requirements for these areas.
33	A.10.3	Is there a grading card that CCG will be using? If so, can we receive a copy of it?	No, See Section A.10 for evaluation of proposals.
34	A.12.1	If confidential records are not allowed per previous opinions can this information will only be provided to select members of the CCG and PA upon selection.	<p>Confidential /proprietary information included in your response will be available to the CCG evaluation team. If there are Open Records Request, then the claimed confidential /proprietary will be reviewed as a new record.</p> <p>See Section A.12.1 on how to identify Confidential information in the Response. See Section A.10.1 for Phase I: Evaluation of Mandatory Requirements. Responses missing required information may be deemed non-responsive.</p>

35	A.12.1	Will our entire RFP response (outside of what is labeled proprietary) be available to the public to view after this process has been completed?	Yes, if requested. CCG follows the Public Information Act. Here is a link to the Texas Comptroller of Public Accounts information on this subject: http://www.window.state.tx.us/pia.html
36	A.12.6	Should the RFP pricing be sent in a separate file from the technical response?	Yes, use Attachment D for only pricing.
37	A.14	<p>a. In the event multiple emails need to be sent to accommodate for the attachment size limit recommendation, should the attachment file name be modified to indicate "PARTS 1 of X" (or something similar) for ease of ordering and file name differentiation?</p> <p>b. In the event multiple emails need to be sent to accommodate for the attachment size limit recommendation, should the email subject line be modified to indicate "EMAILS 1 of X" to assist the CCG with confirming receipt of all parts of a vendor's submission?</p> <p>c. Does the CCG support WinZip so that vendors may include attachments as zipped files? If WinZip is allowed, what versions are supported?</p> <p>d. Would the CCG consider providing an addendum designating breaks between sections of the proposal organization into volumes (i.e. A.12.1 through A.12.5 in Volume 1, A.12.6 and A.12.7 in Volume 2, etc.)? In this way, all vendors may submit their proposals uniformly and consistently organized?</p>	<p>a. Yes</p> <p>b. Yes</p> <p>c. Yes, all versions</p> <p>d. No changes to instructions</p>
38	A.14	Respondent shall submit two (2) indexed or bookmarked media containing electronic versions of the Response in Microsoft Word format (*.doc or *.docx) and/or Adobe Portable Document Format (*.pdf). The Response shall contain an organized, paginated table of contents corresponding to the sections and pages therein, and all pages shall be numbered. May the (2) electronic copies be sent via email or do they have to be submitted on disk or USB?	Email
39	A.14	<p>There appears to be a conflict between the RFP instructions for submission in A.14 and the SOW submission instructions.</p> <p>Please confirm that vendors who submit responses to both the RFP and SOW should submit both responses as separate emails as described in RFP section A.14.</p>	Confirmed.
40	Price Sheet	May the Respondent decline to provide Preservation Imaging Services? If so, should the Respondent indicate this by specifying N/A to the Preservation line items in Black and White Image Capture, Color Image Capture, and Image Processing in Attachment D Price Sheet?	<p>N/A should be entered for any item that is not provided.</p> <p>Also, clearly indicate in A.12.9 that Preservation services are not offered.</p>

41	Price Sheet	Tab # 1.0 Fees and Charges, Row # 34, Item # 24 Microfilm Conversion, the FY 13 Qty is 0. Was there no microfilm conversion in FY 13?	These numbers were self-reported from vendors for FY13 only. There may have been microfilm conversions in other fiscal years.
42	Price Sheet	Tab # 1.0 Fees and Charges, Item # 77-81 "Desk Top Scanning". They seem to be related to Items 1.21 and A.1 of current contract. i. Are the Items # 77-81, similar to Items 1.21 and A.1 of current contract, "surcharges" in addition to the image capture charges (Items 1-17)? ii. Regarding Item # 81, is the Pricing Unit supposed to be "Per month per scanner"?	Items #77, 78 and 79 should be any extra charges for the location of the scanning. These are related to 1.21 in current contract. Item #81 was deleted in Price Sheet.
43	Price Sheet	Will the 3,449,785,550 images from FY13 carry over to the current contract or will be the images be new work that is scanned and stored? (Item 56, Fees and Charges price grid)	Item #56 reflects the total number of images charged in FY13 that were hosted by current vendors. Divide this number by 12 for an average number of images hosted in one month to estimate the size of the current image repositories. PAs may transition repositories to new vendors under the new contract, if appropriate.
44	Price Sheet	What are the dimensions of the largest size of the large format documents? (Items 12-14, Fees and Charges price grid)	This is unknown. Detail your Large Format Image Capture size capabilities or any limitations in your assumptions if you have a maximum size for Items 12-14. If you can image larger sizes, too, add those prices separately in "Other Services Fees."
45	Price Sheet	If the invoice information cannot be provided in the time allotted for QA responses, will the CCG consider delaying the response due date to allow for sufficient time? This data will allow the vendors to get a better understanding of historical volumes and hours so they can provide the most competitive variable (hourly) pricing.	No. Hourly pricing is only related to items #60-68, and historical usage is no guarantee of a specific level of future use of the Contract. The CCG does not guarantee any specific volume, number of purchase orders or size of purchase orders under this Contract.
46	Price Sheet	There is no line item for Large Format Image Capture for Preservation. This is used often within the State and, in our humble option, should be a line item for all vendors to answer.	Detail any limitations for Large Format Image Capture in your assumptions. Add prices for Preservation Large Format Image Capture separately in "Other Services Fees."
47	Historical Usage	Can you provide the following: a. Total Revenue by vendor by year i. By agency or customer ii. By Line item or service type, i.e. oversize scanning, document scanning, hourly prep, project management, etc. iii. One time project or recurring project	No, this information is not currently provided by the current contractors.
48	Historical Usage	What % of the state agency volume comes from; Austin, Dallas, Houston, San Antonio, and El Paso? (2.0 Historical Customer Data List)	Based on the PA's central office locations for FY13: 87% in Austin, 7% in San Antonio, other locations 6%
49	General	Please explain any regulations that would prevent us from declining a service request. For example, if a PA approached with an unprofitable request, are we allowed to decline?	There is no regulation that requires a Contractor to respond to all SOWs, but see Section B.3.3 Terminating the Contract, for information about failing to provide contracted services.

50	General	Are there any ongoing contracts from the current agreement that will soon expire that will not be available to us? If so, please list them.	The current CCG contracts expire 8-31-2014. The information concerning expiring PA purchase orders is not available.
51	General	Are all SOWs similar to the OAG where the PA's are considered autonomous and can independently negotiate their own SOW and pricing outside of the contract as long as they choose an approved vendor?	SOWs will be issued by PAs with their specific requirements to the CCG Contractors. After review by the PA, a purchase order will be issued to Contractor that provides the best value for their needs.
52	General	What was the dollar amount awarded to each of the vendors for the current agreement?	Dollar amount were not awarded by CCG for the current contract.
53	General	Will there be any requirement for transmitting images and/or data back to a given PA during the term of the contract?	Yes, the schedule and requirements for transmitting images and/or data is established in each SOW.
54	General	In 111101_3 for Attachment A, Attachment B, Attachment C, and the HUB Plan, the RFP No. referenced is 961-M1. This differs from the RFP Parts A and B and the ESBD website. a. Is 961-M1 to be corrected to 920 C1?	This is corrected by the Change #1 in this Addendum.
55	B.4.1.1	Lists the responsibilities of the CCG Contract Manager. Should this actually be the PA Contract Manager?	RFP Section B is the General Instructions and Contract Terms and Conditions for the CCG Contract. The authority limits of the CCG Contract Manager are listed, the PA's SOW will list the authority limits of their Contract/Project Manager.
56	B.4.3.1	Regarding delivery of written notices. Are emails considered written notices?	No
57	Exhibit A 2.4.2.1	Respondent shall submit two (2) indexed or bookmarked media containing electronic versions of the Response in Microsoft Word format (*.doc or *.docx) and/or Adobe Portable Document Format (*.pdf). The Response shall contain an organized, paginated table of contents corresponding to the sections and pages therein, and all pages shall be numbered. May the (2) electronic copies be sent via email or do they have to be submitted on disk or USB?	Email

Exhibit A - The Office of Attorney General's SOW #359911

Number	SOW Section:	Question:	OAG Response:
1	7.1	Under the current scope of work, have there been any failures in performance measures based on the terms of the contract in place?	There have been no performance issues or missed SLAs by the vendor for the current OAG contract.
2	4.7.4	What is the criteria to determine if a document is not to be destroyed?	Any Source Media that has been designated as Hold-and-Return Source Media must not be destroyed (SOW Section 4.7.4). The OAG may designate Hold-and-Return Source Media before or after the Output Media has been received by the OAG (SOW Section 4.8.1.3). OAG will also provide training for the Awarded Vendor's staff to identify known types of Hold-and-Return Source Media (SOW Section 4.10).
3	4.7.4	Will the Source Media determined to fall under the not to be destroyed category need to be re-prepped prior to return to OAG?	There are no requirements in the SOW requiring Source Media to be re-prepped by the Awarded Vendor prior to returning it to the OAG.
4	4.7.4	It is possible for a single unit of Source Media (typically an envelope and its contents per OAG SOW Section 4.5.2) to be composed of multiple items. If one of the items contained within the envelope is deemed to fall under the "do not destroy" category, does the entire unit get returned to OAG or just the one item?	Because the Unique Identifier is assigned at the Source Media level, typically an envelope and its contents (SOW Section 4.5.2), the entire Source Media must be returned to the OAG if one or more items contained in it meet the criteria for Hold-and-Return Source Media.
5	4.7.4	Is there an attribute code for the electronic file that indicates to OAG the associated physical Source Media will be returned?	Yes, please refer to SOW Section 4.5.9.3. Specific details will be addressed during implementation (SOW Section 4.1.1.3).
6	4.7.4	What if the Source Media is returned in error (should have been destroyed)?	Please refer to SOW Section 7.2.1; Remedies will be subject to the nature and extent of the non-compliance.
7	4.8.1.3, 4.8.1.3.1	If the Electronic Check-In of the Output Media has been received and then determined by OAG to be a "Hold-and-Return" post Electronic Check-In, will OAG rename the delivered file or will the awarded vendor need to provide reprocessing and redelivery of the file?	There are no requirements in the SOW requiring the Awarded Vendor to perform any additional actions with respect to Output Media following receipt of Output Media by OAG unless a Quality Control issue is identified (SOW Section 7.2.2.1).

8	4.8.1.3, 4.8.1.3.1	[Is] Source Media designated as Hold-and-Return required to be re-prepped (i.e. re-stapled, clipped, etc.)? It is possible, depending on when OAG staff notifies vendor that a Source Media is now considered Hold-and-Return and where the Source Media is in the processing, that the Source Media may not be able to be re-prepped due to original binding boundaries no longer being known.	There are no requirements in the SOW requiring Source Media to be re-prepped by the Awarded Vendor prior to returning it to the OAG.
9	4.8.1.4	We understand the requirement to include a Hold-and-Return attribute code as part of the Output Media filename, but is this requirement saying Hold-and-Return should be indicated in a report, on the actual Source Media, etc.?	SOW Section 4.8.1.4 does not specify how a Hold-and-Return will be indicated. The Respondent acknowledges in the question, however, the requirement to include the Hold-and-Return attribute code in the Output Media filename. The Awarded Vendor's internal process will dictate how the Source Media will be tracked internally, i.e., whether or not, and, if so, how, it needs to be marked on Source Media. Respondent may also refer to Chain-of-Custody reporting requirements in SOW Section 4.3, Document Tracking.
10	4.8.4.1	How often does OAG anticipate a return within less than one business day will occur?	The OAG makes no representation regarding the anticipated volume of expedited Hold-and>Returns.
11	4.10	How are the training sessions conducted? Onsite at OAG, at vendor's facility, online, etc.?	In most cases, training will take place at an OAG site in Austin. Specific arrangements for training will be made during implementation (See SOW Section 4.1.2.6).
12	6.2.1, 4.7.8, 4.7.8.2	OAG SOW Section 6.2.1 page 22 "Output Media produced by the Awarded Vendor shall be considered accepted by the OAG on the third (3rd) Business Day following Electronic Check-in of the Output Media, unless the OAG has made timely communication to the contrary, including, but not limited to, a Hold-and-Return request, request for re-transmission, or notification related to performance measures, remedies, or other terms and conditions of the Contract, in which case the OAG will notify the Awarded Vendor when the Output Media is considered accepted."	OAG believes that the existing Requirements do not pose a potential conflict: If OAG requires a re-transmission, it anticipates that it will do so within the two (2) Business Days that the Awarded Vendor is required to maintain the Backup Files.

		<p>However,</p> <p>OAG SOW Section 4.7.8 page 19 “Awarded Vendor shall Securely maintain Backup Files of all Output Media for two (2) Business Days following Electronic Check-in of the Output Media.”</p> <p>And</p> <p>OAG SOW Section 4.7.8.2 page 19 “Awarded Vendor shall Destroy Backup Files immediately after two (2) Business Days have passed following successful Electronic Check-in of the corresponding Output Media.”</p> <p>a. If on the third business day, OAG requires a re-transmission, vendors will need to possibly retrieve the Source Media (if it was returned to OAG the next business day following Hold-and-Return designation), reprocess and re-Check-in the Output Media. Would OAG consider revising the timing given in the cited requirements sections and any others with this timeframe?</p>	
13	7.1.3.4	How will OAG perform quality assurance between Output Media and associated Source Media that is not designated for Hold-and-Return?	SOW Section 7.1.3.4 does not state or imply that the OAG will compare Source Media to Output Media. OAG may employ any number QA/QC methods to ensure performance under this contract (SOW Section 7.1.3.12; and CCG Master Contract RFP A.6.7.5, Quality Assurance).
14	7.1.3.6	The requirement in 4.7.8 only requires the secure maintenance of backup files for a period of two business days following Electronic Check-in of Output Media. Where does the vendor Check-in Backup Files?	The Awarded Vendor is not required to Check-in Backup Files. The OAG has changed SOW Section 7.1.3.6 to read, “Creation and <u>Destruction</u> of Backup Files”.
15	7.1.3.7, 7.2.2.2, 4.7.7	OAG SOW Section 7.1.3.7 “Scheduled date of Destruction of Source Media vs. actual date of Destruction, per occurrence (see Section 4.7.7).”	SOW Section 4.7.7 requires that the Awarded Vendor Destroy on the first Business Day of each calendar month. For OAG monitoring purposes, the first Business Day of each calendar

		<p>OAG SOW Section 7.2.2.2 “The OAG will allow the Awarded Vendor a minimum of five (5) Business Days to remedy any failure to perform regarding deviations from timeliness of Check-in, Check-out, or Destruction.”</p> <p>And</p> <p>OAG SOW Section 4.7.7 “Awarded Vendor shall, on the first Business Day of each calendar month, Destroy all Source Media that has been in the Awarded Vendor’s possession for more than thirty (30) calendar days following Capture and Electronic Check-in of the corresponding Output Media to the CSD Image Repository.”</p> <p>a. The requirement in 4.7.7 only states that Source Media in vendor’s possession for more than thirty calendar days shall be destroyed. For monitoring and measuring purposes, how shall the vendor execute the requirement in 4.7.7 so that the vendor remains in favorable compliance with the measurable requirement in 7.1.3.7?</p>	<p>month is the scheduled date of Destruction as referenced in SOW Section 7.1.3.7.</p> <p>For purposes of corrective action, SOW Section 7.2.2.2 refers to the remedy of any failure to perform, with the intent of preventing the failure from happening again.</p>
16		b. What is considered timely destruction?	Timely destruction is defined by SOW Section 4.7.7.
17	7.2.2.1	Will it be considered a failure to perform services on the vendor’s part if lost, delayed, missing, damaged, or otherwise unusable or unavailable Source Media or Output Media is due to events/issues on the OAG’s side?	It is not the OAG’s intent to hold the Awarded Vendor accountable for events that are beyond its control.
18	8.2.5.1,8.2.5.2	Is the vendor responsible for the destruction of the hardcopy OAG Data that was returned to OAG per the Hold-and-Return designation?	By definition, Hold-and-Return items are not Destroyed (SOW Section 1.3).
19	2.2	Section 2.2 of the Exhibit A SOW states that the OAG Purchase Order will govern over any other agreement and any amendment may only be done in an amendment issued by the OAG pursuant to Section 9.3 of the SOW. Will the	The Awarded Vendor will be issued a contract (including an initial Purchase Order from the OAG) as described in SOW Section 2.2., Contract Documents. For any future amendments, please refer to SOW Section 9.3, which states that, prior to

		Vendor have an opportunity to review and accept/reject/request an amendment to a purchase order that is issued by a Participating Agency (in this case, the OAG) ? Please advise on process of the issuance of purchase orders.	issuing an amendment, “duly authorized representatives of the parties must execute a writing denominated as an amendment to the Contract.” Development of an amendment is a collaborative process between the OAG and Awarded Vendor.
20	2.4.2.1	2.4.2.1 Respondent shall submit two (2) indexed or bookmarked media containing electronic versions of the Response in Microsoft Word format (*.doc or *.docx) and/or Adobe Portable Document Format (*.pdf). The Response shall contain an organized, paginated table of contents corresponding to the sections and pages therein, and all pages shall be numbered. May the (2) electronic copies be sent via email or do they have to be submitted on disk or USB?	Email